

**NOTIFICATION OF
THE 89th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

To be held on June 27, 2024

**NICHICON CORPORATION
Kyoto, Japan**

Notes:

1. This is a translation of the Japanese-language notification of the 89th ordinary general meeting of registered shareholders.
2. The financial statements of Nichicon Corporation are prepared in accordance with applicable laws and accounting principles generally accepted in Japan.

Mission Statement

We dedicate ourselves to creating valued products that will contribute to a brighter future for society. We strive to attain a better global environment, to live up to our ethical and social responsibilities, and to diligently work to exceed the expectations of our customers, shareholders, and employees. With heart and soul, we aim to maximize our corporate value by the way of "ko-do" (Think and Work).

* "ko-do" is a proprietary phrase created by the Company, meaning "Think and Work."

Sustainability Policy

Following the Nichicon Group Mission Statement, we will dedicate ourselves to contributing to the creation of a brighter future society through the creation of products that help to achieve a better global environment. Our aim is to realize a sustainable society and increase corporate recognition while fulfilling our corporate social and ethical responsibilities.

1. By combining a wide range of technologies starting from material development to system design, Nichicon is helping solve social issues such as climate change. By promoting digital transformation and innovation, we are helping to create a brighter future.
2. We value dialogue and cooperation with all stakeholders, creating shared value, and developing fair and highly transparent management.
3. Our goal is to increase customer satisfaction by respecting human rights, ensuring diversity, developing human resources, and top notch management*, and aiming for corporate development and the happiness of all employees.

*Aim to be the highest in all aspects such as quality, cost, delivery time, service, and technology.

Dear Shareholders:

(Securities Code: 6996)

June 6, 2024

551, Nijoden-cho Karasumadori Oike-agaru,
Nakagyo-ku, Kyoto 604-0845, Japan

Katsuhiko Mori President & COO

Nichicon Corporation

NOTIFICATION OF THE 89th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby inform you that the 89th Ordinary General Meeting of Shareholders of Nichicon Corporation will be held as set forth below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. (matters subject to measures for electronic provision) in electronic format, and have posted the information on websites on the Internet. Please visit either of the following websites to review the information.

***Please note that there is no ballot attached to this translation.**

The Company's website:

<https://www.nichicon.co.jp/ir/>



(Please access the material from "Reference Documents for General Meetings of Shareholders" within the website)

Tokyo Stock Exchange's (TSE's) website (TSE Listed Company Information Service):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



(Access the above TSE website, enter "Nichicon" in "stock name (company name)" or the Company's securities code "6996" in "Code," and click "Search." Then click "Basic information", select "Documents for public inspection/PR information," and download the information from "Notification of General Meetings of Shareholders/Reference Materials".)

In the event that you are unable to attend the meeting, you are kindly requested to examine the attached reference material for the General Meeting of Shareholders and exercise your voting rights by post or via the Internet by no later than 5:15 p.m. on Wednesday, June 26, 2024.

1. Time and Date:

June 27, 2024 (Thursday) 10:00 a.m

2. Venue

ANA Crowne Plaza Kyoto, 2nd Floor

10 Tsuchibashi-cho Nijo-kudaru, Horikawa-dori, Nakagyo-ku, Kyoto

3. Agenda:

- Matters To Be Reported On:**
1. Business report, consolidated financial statements, and the reports of audits of consolidated financial statements conducted by the Accounting Auditor and the Board of Company Auditors, for the 89th fiscal year ended March 31, 2024.
 2. Non-consolidated financial statements for the 89th fiscal year ended March 31, 2024.

Proposals To Be Voted On:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Three Company Auditors
Proposal 3: Election of One Substitute Company Auditor

With regard to this General Meeting of Shareholders, as in the past, we are providing all of our shareholders with paper-based documents, regardless of whether a request for provision of physical documents has been made.

If revisions arise to the matters subject to measures for electronic provision, the revised versions will be posted on the Internet on the Company's website as well as the TSE's website.

Information for Shareholders

Proposals for Deliberations and Referential Information

Proposal 1: Appropriation of Surplus

As we regard sharing profits with shareholders as an important management issue, we aim to steadily increase dividends by enhancing our corporate value and strengthening our corporate standing.

In order to further progress sharing of profits with shareholders and enhance capital utilization, we propose the following year-end dividend.

As a result, total dividends for the fiscal year will be ¥33.00 per share, an increase of ¥3.00 from the previous fiscal year.

Matters concerning year-end dividend

Type of dividend	Cash
Allocation of dividend assets to shareholders and total amount of dividends	¥17.00 per common stock Total amount of ¥1,163,061,273
Effective date of dividend	June 28, 2024

Proposal 2: Election of Three Company Auditors

The term of office of Company Auditors Mr. Yoshihiko Nakatani and Mr. Masahiro Morise will expire at the conclusion of this Ordinary General Meeting of Shareholders. Additionally, Company Auditor Mr. Sachihiko Araki resigned due to his passing on May 31, 2024.

We therefore wish to propose the election of three new Company Auditors.

This proposal has received approval from the Board of Company Auditors.

The candidates for Company Auditors are as follows:

Candidate No.	Name	Position in the Company	
1	Shigeo Yoshida	Special Advisor	New election
2	Seiya Ueno	General Manager of the Company's Internal Audit Office	New election
3	Yoshihiko Nakatani	Standing Company Auditor	Reelection Outside Independent

New election

Candidate for new election as Company Auditor

Reelection

Candidate for reelection as Company Auditor

Outside

Candidate for Outside Company Auditor

Independent

Independent Director as defined by Stock Exchange

Candidate
No.

1

Shigeo Yoshida (born September 7, 1959)

New
election



Career profile, titles, and important concurrent positions

April 1982	Joined the Company
August 1988	Joined Nichicon (Singapore)
June 2003	Acting Director for Overseas Sales in the Company's Sales Division
November 2004	General Manager of the Company's Power Supply Center
April 2007	Director and General Manager of Nichicon (Hong Kong) Ltd.
November 2008	Overall responsibility for the Company's East Asian sales
June 2009	Director of the Company Executive Officer of the Company General Manager of the Company's Sales Headquarters
May 2011	General Manager of the Company's Production Headquarters
July 2011	Executive Operating Officer of the Company
October 2012	Representative Director and President of Nichicon Hi-Tech Foil
June 2013	Representative Director & President, COO
June 2023	Special Advisor of the Company (current)

Number of Company
shares held

10,000

Reason for nomination as candidate for Company Auditor

Since joining the Company, the candidate has served as the head of numerous sales and business divisions in Japan as well as overseas. He has been involved in the management of the Company for many years, equipping himself with a wide range of skills related to overall business management. Mr. Yoshida's rich experience makes him an ideal candidate for the position of Company Auditor, and therefore we recommend his election as Company Auditor.

Candidate
No.

2

Seiya Ueno (born January 8, 1966)

New
election



Career profile, titles and important concurrent positions

April 1990	Joined Mitsui Trust Bank, Limited (now Sumitomo Mitsui Trust Bank, Limited)
January 2001	Joined The Industrial Bank of Japan, Limited (now Mizuho Bank, Ltd.)
December 2004	General Manager, Capital Markets Department, Mizuho Corporate Asia (Hong Kong) Limited
April 2015	Head of Americas Office, Portfolio Management Department Head of Americas Office, Asset Management Control Department, Mizuho Bank, Ltd.
May 2018	Joined the Company, General Manager, Management Department, Capacitor Business Headquarters
September 2019	General Manager of the Company's Internal Audit Office (current)

Number of Company
shares held

1,000

Reason for candidacy as Company Auditor candidate

The candidate has accumulated a wealth of experience as well as insight in the field of finance and accounting through his domestic and international career at financial institutions. In addition, he has been responsible for internal audits within the Company. We therefore recommend his election for the position of Company Auditor.

Candidate
No.

3

Yoshihiko Nakatani (born October 7, 1946)

Reelection

Outside

Independent



Number of Company
shares held

1,000

Career profile, titles and important concurrent positions

April 1972	Joined Matsushita Electric Industrial Company (currently Panasonic Corporation)
April 1995	General Manager of Multimedia Promotion Office
April 1997	Executive Vice President of the European Laboratories, GmbH
September 1999	Director of the Overseas R & D Promotion Center
October 2004	Professor in COE Program Promotion organization at Ritsumeikan University
April 2008	Professor in Ritsumeikan Global Innovation Research Organization at Ritsumeikan University
April 2009	Director of the Research Department at Ritsumeikan University
April 2012	Vice President of the Industry-Academia-Government Collaboration Strategy Board at Ritsumeikan University
April 2020	Senior Researcher, Center of Research for Science and Technology at Ritsumeikan University
June 2020	Standing Company Auditor of the Company (current)

Reason for candidacy as Outside Company Auditor candidate

In addition to his career of involvement in technology management at a private business, the candidate possesses deep knowledge and extensive experience as a scholar. We believe he is an ideal candidate for the position of Outside Company Auditor, and therefore recommend his reelection.

- (Notes):
1. There are no special interests between each candidate and the Company.
 2. Mr. Yoshihiko Nakatani is a candidate for Outside Company Auditor.
 3. Mr. Yoshihiko Nakatani will have been in the position of Company Auditor of the Company for 4 years at the conclusion of this Ordinary General Meeting of Shareholders.
 4. The Company has entered into a contract with Mr. Yoshihiko Nakatani, pursuant to Article 427, Paragraph 1 of the Companies Act, to limit the liability for payment of damages as set forth in Article 423, Paragraph 1 of the Act. The limit on liability for payment of damages under the contracts is in accordance with prevailing laws and regulations, and in the event that Mr. Nakatani is reappointed, the Company intends to continue the contracts with him.
 5. The Company has entered into a directors and officers liability insurance contract with an insurance company pursuant to the provision of Article 430-3, Paragraph 1 of the Companies Act, to cover the amount of damages and litigation expenses that may be incurred by insured executives in the event of any claims for damages arising from the execution of their duties. Should the appointment of candidates be approved, the appointed persons will be included as insured persons under the relevant insurance contract. The Company intends to renew the contract under the same terms upon the next contract renewal.
 6. The Company has designated Mr. Yoshihiko Nakatani as an Independent Director in accordance with the rules established by the Tokyo Stock Exchange, and has registered him accordingly with the same Stock Exchange. The Company intends to continue his designation as Independent Director should he be reelected.

(Reference) Skills Matrix of Directors and Company Auditors

List of Experience and Expertise of Directors and Company Auditors after Approval of Proposal No. 2

	Gender	Position in the Company	Company management	Production/R&D	Sales/Marketing	Finance/Accounting	International Experience/Diversity	Legal affairs/Risk management
Ippei Takeda	Male	Chairman & CEO	○	○	○	○	○	○
Katsuhiko Mori	Male	President & COO	○		○		○	
Hitoshi Chikano	Male	Director	○		○	○	○	
Akihiro Yano	Male	Director	○	○		○	○	
Kazumi Matsushige	Male	Director, Outside/Independent		○				○
Shigenobu Aikyo	Male	Director, Outside/Independent	○			○		
Haruhiko Kato	Male	Director, Outside/Independent	○			○	○	
Noriko Kurimoto	Female	Director, Outside/Independent					○	○
Shigeo Yoshida	Male	Standing Company Auditor	○	○	○	○	○	
Seiya Ueno	Male	Standing Company Auditor	○			○	○	○
Yoshihiko Nakatani	Male	Standing Company Auditor, Outside/Independent	○	○			○	
Kan Tsutagawa	Male	Company Auditor, Outside/Independent	○		○	○		○

(Note) The above List of Experience and Expertise of Directors and Company Auditors does not represent all of their experience and expertise.

Proposal 3: Election of One Substitute Company Auditor

In order to prepare for the event in which the number of incumbent Company Auditors falls below the legal requirement, the Company wishes to propose the election of Mr. Fumio Okita as a Substitute Outside Company Auditor.

With regard to the effectiveness of the election of a Substitute Company Auditor, the Company shall be permitted to revoke the election by a resolution of the Board of Directors, with the consent of the Board of Company Auditors prior to the assumption of office of a Company Auditor.

This proposal has received approval from the Board of Company Auditors.

The candidate for the Substitute Company Auditor is as follows:

Fumio Okita (born May 30, 1952)

Outside

Independent



Career profile, titles and important concurrent positions

April 1980	Registered as attorney, Kyoto Bar Association
August 1996	Founded and became Representative of Axis Law Office (current)
April 2001	Auditor of Kyoto Medical Association
April 2005	Chairman, Kyoto Bar Association
December 2013	Company Auditor of Elitz Holdings Co., Ltd. (current)
June 2015	Company Auditor of Nitto Pharmaceutical Industries, Ltd. (current)
	Director of Uehara sei shoji Co., Ltd. (current)
August 2016	Company Auditor of Izutsuyatsushihonpo Co., Ltd (current)

Reason for candidacy as Substitute Outside Company Auditor candidate

In addition to his profound expertise as an attorney, the candidate has assumed positions of Director and Company Auditor at many companies, and the Company therefore recommends his election. Although the candidate does not have any experience of direct involvement in corporate management, except as an Outside Director and Outside Company Auditor, the Company judges that for the above-stated reasons, he will be able to suitably fulfill his duties as an Outside Company Auditor.

Number of Company shares held

0

- (Notes):
1. There is no special interest between Mr. Fumio Okita and the Company.
 2. Mr. Fumio Okita is a candidate for Substitute Outside Company Auditor.
 3. If Mr. Fumio Okita is appointed to Company Auditor, the Company intends to enter into a contract with him pursuant to Article 427, Paragraph 1 of the Companies Act, to limit the liability for payment of damages as set forth in Article 423, Paragraph 1 of the Act. The maximum amount of liability for damages shall be set at an amount as permitted under laws and regulations.
 4. The Company has entered into a directors and officers liability insurance contract with an insurance company pursuant to the provision of Article 430-3, Paragraph 1 of the Companies Act, to cover the amount of damages and litigation expenses that may be incurred by insured executives in the event of any claims for damages arising from the execution of their duties. Should the candidate assume the office of a Company Auditor, he will be included as an insured person under the relevant insurance contract. The Company intends to renew the contract under the same terms upon the next contract renewal.
 5. Mr. Fumio Okita satisfies the qualifications for Independent Directors in accordance with the rules established by the Tokyo Stock Exchange, and the Company intends to designate him as an Independent Director should he be elected as a Company Auditor.

Business Report for the Fiscal Year Ended March 31, 2024

(For the Consolidated Fiscal Year)
Ended March 31, 2024

1 Matters Concerning the Current State of the Nichicon Group

(1) Review of Business Operations and Results

During the consolidated fiscal year under review, despite the rising energy costs and inflation driven by the yen's depreciation, the Japanese economy showed a gradual recovery, supported by growth in personal consumption and inbound tourism demand. Although being impacted by the monetary tightening, the US economy maintained robust consumer spending, helped by strong corporate performance and a favorable employment situation. The European economy stagnated due to persistent inflationary pressures and sluggish consumer spending. The slowdown of the Chinese economy continued due to stagnant exports, a deteriorating real estate market, and other factors.

Under these circumstances, the Company is aiming to realize sustainable growth through achievement of targeted net sales/gross margin ratio in line with its medium-term growth plan, "Vision 2025".

As a result of all these factors, the Group's net sales for the consolidated fiscal year under review were ¥181,643 million, down 1.7% from the previous year. The Group posted an operating profit of ¥8,904 million for the year, down 29.8% year-on-year; an ordinary profit of ¥11,407 million, down 25.3% year-on-year; and a profit attributable to shareholders of the parent company of ¥8,253 million, up 5.6% year-on-year and setting a new record.

Performance by segment was as follows.

From the consolidated fiscal year under review, we have broken down the former single reporting segment of "Capacitors and related products" into "Capacitor business" and "NECST (Nichicon Energy Control System Technology) business. For the following year-on-year comparison, the figures for the previous financial period have been rearranged in line with the revised segment categorization.

(Capacitor business)

For the Capacitor business, both net sales and operating profit declined year on year, with net sales of ¥106,429 million (down 10.8% year on year), and segment operating profit of ¥7,318 million (down 32.0% year on year).

While there are signs of a slight slowdown in growth expectations for EVs with regard to sales for automotive and vehicle-mounted equipment, the global movement toward electrification is making steady progress, and in Japan, sales of film capacitors for xEVs for powertrain inverters, particularly for hybrid vehicles, remained strong. We have earned an excellent reputation among our customers overseas and have won major projects. As for aluminum electrolytic capacitors for vehicle-mounted equipment, demand for conductive polymer hybrid aluminum electrolytic capacitors is increasing, and net sales increased significantly, helped by the impact of the capital expenditure made since the previous fiscal year. In addition, sales of surface-mount aluminum electrolytic capacitors, which we have been producing for some time, remained largely stable. In the information and telecommunications equipment segment, our conductive polymer aluminum solid electrolytic capacitors for data center applications, including generative AI servers, continue to enjoy robust sales. Sales for inverter-related equipment for white goods and industrial equipment were slow, with large-type aluminum electrolytic capacitor for use in industrial equipment and power conditioners impacted by the prolonged weakness in the Chinese market. We will continue our efforts to

enhance orders received in key focused markets, through boosting of production capacity and strengthening of our technology development organization with regard to film capacitors for xEV equipment, for which further increase in demand is expected, as well as strengthening our product line of conductive polymer hybrid aluminum electrolytic capacitors and conductive polymer aluminum electrolytic capacitors.

(NECST business)

For the NECST business, net sales increased while segment operating profit decreased year on year, with net sales of ¥75,214 million (up 15.0% year on year), and segment operating profit of ¥1,582 million (down 17.8% year on year).

Amidst rising electricity bills and a growing number of EV options in Japan, EV infrastructure-related equipment such as our "Tribrid Energy Storage System[®]," equipped with V2H function as well as quick chargers, performed well. In addition, sales of specialty power supplies for research and medical applications, etc., which traditionally were concentrated at the end of the fiscal year, are now growing steadily throughout the year. Further, the shift towards EVs in Japan is gaining momentum, driven by rising energy prices, government initiatives to expand charging infrastructure, and the growing availability of EV models, including those for commercial use. Increased adoption of our EV-related products will not only enable people to drive EVs safely and contribute to environmental protection during normal times, but also allow them to secure necessary power using EV batteries in the event of a disaster. On solutions to climate change issues, we need to effectively manage and utilize unstable renewable energy sources that are susceptible to weather and other factors. We will continue to contribute to solving social issues through our business activities, such as development of social infrastructure by deployment of quick chargers and energy-storage systems for industrial use, as well as delivery of our household energy storage system "Power Oasis[®]" and V2H "EV Power Station[®]" geared toward achieving a balance between CO₂ reduction and improved convenience in daily life.

* Tribrid Energy Storage System[®]: Nichicon's household energy storage system that contributes to Kasan Kasho (generating electricity at home for use in the home) by effectively combining battery storage, solar power generation, and EVs.

Category	88th Fiscal Year (Ended March 31, 2023)		89th Fiscal Year (Ended March 31, 2024)		Year-on-Year Change	
	Net Sales	Percentage to total	Net Sales	Percentage to total	Net Sales	Percentage to total
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Capacitor business	119,343	64.6	106,429	58.6	(12,914)	(10.8)
NECST business	65,381	35.4	75,214	41.4	9,832	15.0
Total	184,725	100.0	181,643	100.0	(3,081)	(1.7)

(2) Capital Investment

We made a total capital investment of ¥16,200 million during the consolidated fiscal year under review. Investments were focused on technology and development aimed at growth of new businesses; on boosting production capacity for aluminum electrolytic capacitors for vehicle-mounted equipment and film capacitors for xEVs, which are our core businesses; and building expansion of our NECST manufacturing plant.

Breakdown by segment was as follows.

Capacitor business	¥12,055 million
NECST business	¥4,145 million

(3) Financing

Not applicable

(4) Key Issues to be Addressed

The Group engages in (i) capacitor business, centered on electronic devices such as aluminum electrolytic capacitors, conductive polymer aluminum solid electrolytic capacitors, conductive polymer hybrid aluminum electrolytic capacitors, film capacitors, and small lithium-ion rechargeable batteries, and (ii) NECST business, centered on circuit products such as energy storage systems for household, public, and industrial use, EV/PHV quick chargers, environment-related V2H system products, various kinds of power supplies, functional modules, and capacitor-applied systems and equipment. In these segments, we are focusing on four key markets—"energy, environment, and medical equipment"; "automobiles and vehicle-related equipment"; "white goods and industrial inverter equipment"; and "information and telecommunications equipment". In all these areas, we strive to resolve social issues through the development of competitive new products that embody high reliability, high safety, and high functionality, as well as to expand our existing businesses and create new businesses.

i. Capturing business opportunities for the realization of a low-carbon society and advancement of key technologies

In our capacitor business, we will leverage our cutting-edge technology of aluminum electrolytic capacitors and our production and sales organizations in Japan and overseas, and strengthen and expand our business foundation across quality, cost, delivery timing, and service, with a focus on the growth markets of mobility, telecommunications, and environment. In the field of film capacitors for xEVs, which we develop and produce ourselves from metallized film, recognizing the rising demand as a growth opportunity, we are aggressively investing management resources to grow sales and enhance our global production system. Continually building on the strengths we have cultivated since establishing ourselves in the capacitor business, on the technology side, we are expanding from needs development to product development, as well as "seeds" development through industry-academia collaboration. On the production side, on top of promoting initiatives such as continuous quality improvement, we are implementing KPI target management based on common indicators to strengthen our processes.

In our NECST business, in response to the megatrend of decarbonization, we are further enhancing our value proposition by taking advantage of our broad range of energy and environment-related products and our power supply technologies, spanning from switching power supplies to applied systems. More specifically, in our environment-related business, we are strengthening our response to the growth of the renewable energy and energy

storage markets, driven by the worldwide acceleration of decarbonization as well as continued high energy prices, and our roll-out of total zero-carbon systems featuring our energy storage and power control technologies. In addition, we are addressing the shift to EVs resulting from growing restrictions on gasoline vehicles by enhancing public charging infrastructure with fast-charging equipment, external power supplies (Power Mover[®]), and V2H systems. In this environment-related products sector, we will also strive to enhance our "brand power" to raise awareness among our customers (end consumers). With regard to circuit products, in the switching power supplies segment, we are leveraging our market-leading user responsiveness to aim for further growth, particularly in air conditioning equipment, robots, and growth fields such as 5G networking. In our applied systems business, we are aiming to expand globally with large special power supplies and accelerator power supplies for medical and scientific use, thereby contributing to social infrastructure. Additionally, we are further accelerating product development efforts to help resolve social challenges, by improving our system for developing unique, market-leading, innovative products and technologies, such as our small lithium-ion rechargeable batteries, household energy storage systems, and V2H systems.

ii. Strengthening management to make business less affected by the external environment

New values such as circular economy and sharing economy are gaining increasing international prominence, due to the promotion of SDGs and carbon neutrality. In combination with advances in digital transformation (DX), these values could transform our industrial structure and social economy, and create significant business opportunities. In the future, we may see shifts to vehicle electrification and to EV adoption as well as remarkable advances in 5G, AI, IoT, and other digital technologies revolutionizing human lifestyles. Demand for automation and power-saving technology is therefore likely to grow, not only in developed countries, but also in emerging economies. To support this demand, we expect to see renewable energy become increasingly mainstream as the cost of renewable power generation drops.

Given the current paradigm shift and increasing uncertainty, we believe that the key factor for achieving growth over the medium to long term will be delivering "values" using the keywords, "G: Green (Environment)" and "D: Digital (DX)".

In the case of G (Environment), as climate change has become a global challenge, related markets will grow further. As a result, we expect to see increasing opportunities for our environment-friendly products and businesses. We are committed to enhancing our competitive advantage by further upgrading our range of products, from energy storage systems to expand the application of renewable energy, to various products in our capacitor business and NECST business for addressing climate change needs.

In the area of D (Digital), the promotion of DX has become a prerequisite in terms of strengthening corporate competitiveness. To achieve business growth, it is not enough to simply produce good products and technologies; we are also putting effort into capitalizing on DX to improve profitability by enhancing customer services, increasing productivity, and improving investment efficiency. By refining our "earning power" as above, we will create a virtuous cycle of capital investment, R&D investment, and securing outstanding human resources (including through sustainable wage increases), to pave the way for the next stage of growth. To contribute to a sustainable society, the Nichicon Group must first be profitable and sustainable. Then, with digital transformation as a growth driver, we can streamline and increase the efficiency of all departments of the Company, to create business potential and establish a sound basis for profitability.

iii. Setting up and promoting ESG management

With the aim of ensuring that the Nichicon Group is assessed positively in terms of ESG, we have formulated a “Sustainability Policy.” To achieve sustainable growth and increase corporate value, the Group is striving to contribute to the global environment through its products, to strengthen its human resource base through greater workstyle diversity, and to strengthen its corporate governance and compliance systems.

As part of our efforts to address environmental issues, in addition to converting our core manufacturing plant of household energy storage systems, Nichicon (Wakasa), into a 100% renewable energy-based factory, we have installed a complex system that stores up the solar PV power generated at the Company’s facilities and supplies it efficiently, without waste to charge EVs and power production facilities. Similarly, we are cutting CO₂ emissions through new ways of utilizing renewable energy in production plants and other large-scale facilities. Furthermore, we will continue analyzing the business risks and opportunities arising from climate change and applying it to our medium- to long-term business development as well as CO₂ reduction initiatives, and disclosing information relating to our indicators/targets, progress made thereon, and scenario analyses. We were given an "A- (A minus)" assessment in the CDP Climate Change 2023 Report, and have been granted SBT (Science Based Targets) certification from the SBT Initiative (*1), an international organization on greenhouse gas emission reduction targets. We will continue to promote these initiatives.

Based on the Group's human resource philosophy that people are the source of Nichicon's vitality, we believe that people are the Group’s most valuable asset. Accordingly, we strive to enhance our human resource systems and work environment, so that each and every employee can sensitively perceive the needs of our society and our times and think and work (ko-do) with a high level of awareness of compliance, with the opportunity to demonstrate their abilities and realize true fulfillment and personal growth. In terms of our interactions with society, we continue to promote industry-academia collaboration. We will continue to actively promote joint R&D activities with university institutions to enhance our knowledge capital, for example, through the start of a comprehensive industry-academia research collaboration agreement with the Institute of Industrial Science at The University of Tokyo, aimed at developing local forms of energy production for local consumption and contributing to the creation of a smart society.

In addition, for improved corporate governance, we ensure that at least one-third of the Company’s Board of Directors consists of Outside Directors, to ensure greater transparency in the Board’s supervisory and executive responsibility for the Company’s management. Furthermore, we established a Nomination and Compensation Committee, to serve as an advisory panel for the Board of Directors. A majority of the panel members are Outside Directors and Outside Company Auditors. The panel’s purpose is to ensure the fairness, transparency, and objectivity of procedures relating to the nomination and compensation of Directors. To strengthen compliance, we will continue to improve our systems for ensuring proper execution of business and for ensuring the reliability of financial reporting to promote further improvement and implementation of internal controls.

In addition, the Board of Directors conducts periodic evaluation of the appropriateness of continued cross-shareholdings, as well as effective use of management resources, from various aspects including the transaction volume and relationship with the invested company from a medium- to long-term viewpoint, as well as the financial soundness, share price, and dividends of the invested company. We will wind down cross-shareholdings for which the merit gained from owning such shares has diminished, through continued dialogue with related business partners, etc.

Total amount of cross-shareholdings recorded on the consolidated balance sheet (as of March 31, 2024)

Category	87th Fiscal Year (Ended March 31, 2022)	88th Fiscal Year (Ended March 31, 2023)	89th Fiscal Year (Current Year) (Ended March 31, 2024)
Number of stock names	47	42	38
Total consolidated balance sheet amount (Millions of yen)	27,100	23,581	26,722
Ratio to consolidated net assets (%)	28.6	23.3	23.5

(Note) The Company does not own any deemed shareholdings.

(5) Financial and Profit/Loss Indicators

Category	86th Fiscal Year (Ended March 31, 2021)	87th Fiscal Year (Ended March 31, 2022)	88th Fiscal Year (Ended March 31, 2023)	89th Fiscal Year (Ended March 31, 2024)
Net sales (Millions of ¥)	116,073	142,198	184,725	181,643
Ordinary profit (Millions of ¥)	3,015	8,594	15,263	11,407
Profit attributable to owners of parent (Millions of ¥)	1,703	7,902	7,814	8,253
Profit per share (¥)	24.90	115.50	114.22	120.64
Total assets (Millions of ¥)	156,008	170,112	192,339	206,937
Net assets (Millions of ¥)	89,266	94,652	101,354	113,839
Net assets per share (¥)	1,274.33	1,350.76	1,444.66	1,620.98

(Notes) 1. Profit or loss per share is calculated based on the average number of issued shares less treasury shares during the period; and net assets per share is calculated based on the number of issued shares less treasury shares at the end of the period.

2. The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) has been applied from the beginning of the 87th fiscal year. The key management indicators for the 87th fiscal year onward are calculated after applying this accounting standard.

(6) Important Status of Parent Company and Subsidiaries

i. Relationship with Parent Company

Not applicable

ii. Principal Consolidated Subsidiaries

Subsidiary	Share capital	Percentage of voting rights held by the Company (%)	Primary business
Nichicon Hi-Tech Foil Corporation	¥80 million	100.0	Manufacture of electrode foils for capacitors
Nichicon (Kusatsu) Corporation	¥80 million	100.0	Manufacture of capacitors for electric utilities and power apparatus, film capacitors, and capacitor-applied systems and equipment
Nichicon (Kameoka) Corporation	¥80 million	100.0	Manufacture of function modules, V2H systems, PTC thermistors, and household energy-storage systems
Nichicon (Ohno) Corporation	¥80 million	100.0	Manufacture of aluminum electrolytic capacitors, electric double-layer capacitors, and small lithium-ion rechargeable batteries
Nichicon (Iwate) Corporation	¥100 million	100.0	Manufacture of aluminum electrolytic capacitors
Nichicon (Wakasa) Corporation	¥84 million	100.0	Manufacture of power supplies and household energy-storage systems
Torishima Electric Works, Ltd.	¥30 million	100.0	Manufacture and sale of transformers and reactors
Nippon Liniac Co., Ltd.	¥15 million	100.0	Manufacture and sale of pressure sensors and measuring instruments
Yutaka Electric Mfg. Co., Ltd.	¥330 million	100.0	Development, design, manufacture, and sale of power supply systems
Nichicon (America) Corporation	US\$ 3 million	100.0	Sale of capacitors
Nichicon (Austria) GmbH	EUR 1 million	100.0	Sale of capacitors
Nichicon (Hong Kong) Ltd.	HK\$ 5 million	100.0	Sale of capacitors
Nichicon (Singapore) Pte. Ltd.	S\$ 8 million	100.0	Sale of capacitors
Nichicon (Taiwan) Co., Ltd.	NT\$ 30 million	100.0	Sale of capacitors
Nichicon (Thailand) Co., Ltd.	THB 20 million	49.0	Sale of capacitors
Nichicon Electronics Trading (Shanghai) Co., Ltd.	US\$ 500,000	100.0	Sale of capacitors
Nichicon Electronics Trading (Shenzhen) Co., Ltd.	US\$ 300,000	100.0	Services associated with the sale of capacitors and circuit products
Nichicon (Malaysia) Sdn. Bhd.	RM 63 million	100.0	Manufacture and sale of aluminum electrolytic capacitors
Nichicon Electronics (Wuxi) Co., Ltd.	US\$ 75 million	100.0	Manufacture and sale of aluminum electrolytic capacitors and various power supplies
Nichicon Electronics (Suqian) Co, Ltd.	US\$ 55 million	100.0	Manufacture and sale of aluminum electrolytic capacitors and capacitors for electric apparatus
Wuxi Nichicon Electronics R&D Center Co., Ltd.	RMB 5 million	100.0	Development and design of power supplies and aluminum electrolytic capacitors

(Notes) 1. The above percentage of voting rights held by the Company includes voting rights held by the Company's subsidiaries.

2. The Company has 21 consolidated subsidiaries and 2 companies accounted for under the equity method.

(7) Principal Businesses of the Nichicon Group (as of March 31, 2024)

The Nichicon Group engages in the manufacture and sale of various capacitors, applied systems and circuit products. Main products of each segment are as follows.

Segment	Principal products
Capacitor business	Aluminum electrolytic capacitors, film capacitors, small lithium-ion rechargeable batteries, film capacitors for power electronics, film capacitors for xEVs
NECST business	Household energy storage systems, V2H systems, tribrid energy storage systems, quick chargers for EV/PHVs, external power supplies, switching power supplies, function modules, energy-storage systems for public and industrial use, accelerator power supplies for medical use, accelerator power supplies for academic research

(8) Principal Offices and Plants of the Nichicon Group (as of March 31, 2024)

Nichicon Corporation	Head Office		Nakagyo-ku, Kyoto
	Sales offices and other facilities	Tokyo Sales Office	Chuo-ku, Tokyo
		Nagoya Sales Office	Naka-ku, Nagoya
		West Japan Sales Office	Nakagyo-ku, Kyoto
		Power Supply Center	Chuo-ku, Tokyo
Nichicon Hi-Tech Foil Corp.	Ohmachi, Nagano; Ohno, Fukui		
Nichicon (Kusatsu) Corp.	Kusatsu, Shiga		
Nichicon (Kameoka) Corp.	Kameoka, Kyoto		
Nichicon (Ohno) Corp.	Ohno, Fukui; Azumino, Nagano		
Nichicon (Iwate) Corp.	Iwate-cho, Iwate		
Nichicon (America) Corp.	Illinois, United States		
Nichicon (Austria) GmbH	Vienna, Austria		
Nichicon (Hong Kong) Ltd.	Hong Kong, China		
Nichicon (Taiwan) Co., Ltd.	Taipei, Taiwan		
Nichicon (Malaysia) Sdn. Bhd.	Selangor, Malaysia		
Nichicon Electronics (Wuxi) Co., Ltd.	Wuxi, China		
Nichicon Electronics (Suqian) Co, Ltd.	Suqian, China		

(9) Employees (as of March 31, 2024)

i. Employees of the Nichicon Group

Segment	Number of employees	Change from end of the previous consolidated fiscal year
Capacitor business	3,911	Down 88
NECST business	1,209	Up 61
Corporate (common)	274	Up 13
Total	5,394	Down 14

ii. Employees of the Company

Number of employees	Change from end of previous fiscal year	Average age	Average length of service
581	Up 43	45.9	9.6 years

(10) Major Lenders (as of March 31, 2024)

Lenders	Loan outstanding
Mizuho Bank, Ltd.	¥5,250 million
The Bank of Kyoto, Ltd.	¥5,250 million
Sumitomo Mitsui Banking Corporation	¥5,250 million
MUFG Bank, Ltd.	¥5,250 million
Nippon Life Insurance Company	¥1,750 million

(11) Other Important Matters Concerning the Current State of the Nichicon Group

The Company and some of its overseas sales subsidiaries have been under investigation by the Japan Fair Trade Commission (JFTC) and regulatory authorities of the European Union, the United States, and other bodies since March 2014 over alleged violations of applicable competition laws arising from the sale of aluminum electrolytic capacitors and tantalum electrolytic capacitors in respective regions and countries. In March 2016, the Company received from the JFTC a cease-and-desist order and an order to pay a surcharge for the investigation in Japan. We appealed against the assessments and judgments that the JFTC's orders were based upon and filed a legal action seeking cancellation of the order. We further made an appeal to a higher court, but in October 2021, the appeals court handed down a judgment to dismiss our appeal, and to not accept the Company's appeal. Accordingly, this action is now closed.

Outside of Japan, in December 2015, Nichicon (Hong Kong) Ltd., a Company subsidiary, was subjected to a penalty from the Taiwan Fair Trade Commission. In February 2016, the subsidiary appealed against the assessments and judgment on which the penalty was based and filed a legal action. The subsidiary further appealed to a higher court, and as a result, in November 2023, the Supreme Administrative Court handed down a judgment

to annul the penalty decision on the grounds that the calculation method of the penalty was unlawful. Accordingly, this action is now closed. The Taiwan Fair Trade Commission is currently conducting a reinvestigation based on the judgment. In March 2018, the Company was sanctioned by the European Commission with a fine, and in May of the same year it filed a lawsuit to appeal the finding and decision of the sanction. However, in July 2023, a judgment was handed down to dismiss the claim. Accordingly, this action is now closed.

We have already paid the above surcharges and penalty in full by the due date in order to avoid the risk of having to pay delinquency charges. Class action lawsuits in relation to this matter have been filed against us in the United States and Canada. In the case of the U.S., in September 2018 we concluded a settlement with indirect customers involving the payment by us of US\$ 21.5 million, which received final approval from a US court in July 2020. We also concluded a settlement with direct customers in December 2018, involving the payment by us of US\$ 90 million, which received final approval from a US court in May 2019. In addition, we gradually reached settlements on the individual actions filed by capacitor buyers who had opted out of the class action, and in November 2022, concluded a settlement agreement with the remaining four plaintiffs including a payment by us of US\$ 34 million, closing all individual actions. With regard to the Canada class action, a settlement agreement was concluded in March 2023 with the plaintiffs which includes a payment of by us of C\$ 14.5 million, which received final approval from a Canadian court in November 2023. With regard to the class action in Israel, settlement agreements were concluded in March 2024 with the plaintiffs which includes a payment of by us of US\$ 2.91 million. These settlement agreements will also be officially confirmed through court approval procedures, which we will continue to follow appropriately.

We apologize to our shareholders, customers, and other stakeholders for causing concern over these allegations.

As stated earlier, the Company does not agree with the presumptions and judgment upon which the JFTC and other regulatory authorities have based their orders and we will seek a fair judgment from courts in relation to these matters (except in the cases in which judgments have already been made and those that are currently being settled). In the meantime, we have stepped up our efforts to institute more stringent compliance with competition laws and to raise the awareness of legal compliance amongst employees, by updating internal rules, upgrading our internal compliance system, and training and educating employees on compliance. We will spare no effort to ensure that legal compliance is enforced to the letter throughout the organization.

2 Matters Concerning Company Shares

- (1) Authorized Number of Shares to Be Issued: 137,000,000 shares
(2) Number of Shares Issued: 68,415,369 shares (excluding 9,584,631 treasury shares)
(3) Number of Shareholders
as of the End of the Fiscal Year under Review: 22,168
(4) Ten Largest Shareholders:

Name of shareholder	Number of shares held (thousands)	Percentage of total shares issued (%)
The Master Trust Bank of Japan (Trust account)	8,520	12.5
Nichicon Suppliers' Stock Ownership Program	3,560	5.2
The Bank of Kyoto, Ltd.	3,409	5.0
Mizuho Bank, Ltd.	2,690	3.9
Nippon Life Insurance Company	2,670	3.9
Sumitomo Mitsui Banking Corporation	2,200	3.2
Custody Bank of Japan, Ltd. (Trust account)	2,190	3.2
MUFG Bank, Ltd.	2,000	2.9
Nichicon Employees' Shareholding Association	1,649	2.4
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,419	2.1

- (Notes) 1. The Company holds 9,584,000 treasury shares, which are excluded from the above table.
2. The percentage of shareholdings (of total shares issued) is calculated after deduction of treasury shares.
3. The number of shares held is rounded down to the nearest thousand shares.

3 Matters Concerning Stock Acquisition Rights, etc., of the Company

- (1) State of stock acquisition rights issued as compensation for the execution of duties by Company Directors and Company Auditors
Not applicable
- (2) State of stock acquisition rights issued to Employees, etc., as compensation for the execution of duties during the fiscal year under review
Not applicable
- (3) Other important matters concerning stock acquisition rights, etc.
Not applicable

4 Matters Concerning Directors and Company Auditors

(1) Directors and Company Auditors (as of March 31, 2024)

Title	Name	Position in the Company and important concurrent positions held in other companies or organizations
Chairman and Chief Executive Officer	Ippei Takeda	CEO
President and Chief Operating Officer	Katsuhilko Mori	COO
Director Senior Managing Executive Officer	Hitoshi Chikano	General Manager of Financial & Accounting Headquarters and General Manager of PR & Investor Relations Office
Director Senior Executive Operating Officer	Akihiro Yano	General Manager of Corporate Planning Headquarters and General Manager of Sustainability Office
Director	Kazumi Matsushige	Professor Emeritus at Kyoto University; President of Shikoku University and Shikoku University Junior College; Director of Awa Paper Mtg. Co., Ltd.
Director	Shigenobu Aikyo	Director of Hashimoto Sogyo Holdings Co., Ltd.; Company Auditor of Starts Corporation Inc.
Director	Haruhiko Kato	Director of SHIKI THEATRE COMPANY
Director	Noriko Kurimoto	Partner and attorney, Kansai Law and Patent Office
Standing Company Auditor	Sachihiko Araki	
Standing Company Auditor	Yoshihiko Nakatani	
Company Auditor	Masahiro Morise	
Company Auditor	Kan Tsutagawa	

- (Notes) 1. Kazumi Matsushige, Shigenobu Aikyo, Haruhiko Kato, and Noriko Kurimoto are Outside Directors.
The Company has designated Kazumi Matsushige, Shigenobu Aikyo, Haruhiko Kato, and Noriko Kurimoto as Independent Directors in accordance with the rules established by the Tokyo Stock Exchange, and has registered them accordingly with the Stock Exchange.
2. Yoshihiko Nakatani, Masahiro Morise, and Kan Tsutagawa are Outside Company Auditors.
The Company has designated Yoshihiko Nakatani, Masahiro Morise, and Kan Tsutagawa as Independent Directors in accordance with the rules established by the Tokyo Stock Exchange and has registered them accordingly with the Stock Exchange.
3. Masahiro Morise, Company Auditor, has been engaged for many years in finance and has considerable knowledge of financial affairs and accounting.
4. Kan Tsutagawa, Company Auditor, has held directorships at news organizations, and as such, has considerable knowledge and expertise in company management.
5. Reassignments of Directors and Company Auditors during the fiscal year under review was as follows:
- At the 88th General Meeting of Shareholders held on June 29, 2023, Katsuhilko Mori, Haruhiko Kato, and Noriko Kurimoto were newly elected as Directors, and Kan Tsutagawa as a Company Auditor, all of whom assumed their respective roles.

- Directors Shigeo Yoshida and Yasuhisa Katsuta, and Company Auditor Hideki Ohnishi retired upon closing of the 88th General Meeting of Shareholders held on June 29, 2023.

6. The following Directors assumed new positions and responsibilities:

Date	Name	New position and responsibilities	Former position and responsibilities
July 1, 2023	Hitoshi Chikano	Senior Managing Executive Officer General Manager of Financial & Accounting Headquarters and General Manager of PR & Investor Relations Office	Senior Executive Operating Officer General Manager of Financial & Accounting Headquarters and General Manager of PR & Investor Relations Office
July 1, 2023	Akihiro Yano	Senior Executive Operating Officer General Manager of Corporate Planning Headquarters and General Manager of Sustainability Office	Senior Executive Officer, Managing Director General Manager of Corporate Planning Headquarters and General Manager of Sustainability Office

(2) Remuneration of Directors and Company Auditors

i. Policy for determining the details of compensation for Directors and Company Auditors

1. Basic policy

The basic policy is to link remuneration of the Company's Directors to shareholder profit, so as to function effectively as an incentive for sustainably improving corporate value, and to determine the appropriate level of remuneration of individual Directors based on their particular responsibilities. More specifically, the remuneration of executive Directors shall consist of a fixed basic compensation and a performance-linked compensation, whereas Outside Directors, who serve a supervisory function, shall be paid only a fixed compensation, in line with their role and independence.

2. Policy for determining the basic remuneration of individuals

The basic compensation of the Company's Directors shall consist of a fixed monthly sum, within the limit for Directors decided at the general meeting of shareholders, comprehensively taking into account individual responsibilities and performance, Company performance and trends at other companies, medium to long-term performance, and past remuneration history.

3. Policy for determining the details and amount of performance-linked compensation

To raise awareness of the need to improve business performance in each fiscal year, the Company's performance-linked compensation shall be decided based on the recommendations of the Nomination and Compensation Committee, within the limit decided by the general meeting of shareholders. The amount of compensation shall be in accordance with the role and contribution of the individual over the short, medium, and long term within a specific range of net profit attributable to shareholders of the parent company. The compensation shall be paid yearly at a specific time.

4. Policy for determining the proportion of basic and performance-linked compensation in the remuneration of individual Directors

Since the Company's performance-linked compensation is paid within the range of the net profit

attributable to the shareholders of the parent company, it will vary substantially depending on the corporate results. As a result, the value of performance-linked compensation as a percentage of basic compensation tends to vary widely from year to year. For this reason, the Company has not established any guidelines regarding the proportion of each component of remuneration.

5. Matters concerning the determination of remuneration of individual Directors

The details of the remuneration of individual Directors shall be entrusted to the Representative Directors under the approval of the Board of Directors. The authority of the Representative Directors extends to deciding on the basic compensation of individual Directors, as well as evaluating and apportioning the performance-linked compensation, in consultation among themselves.

To ensure that this authority is appropriately exercised by the Representative Directors, the Board of Directors shall consult with and receive guidance from the Nomination and Compensation Committee, and the Representative Directors who are entrusted with this responsibility must take decisions in accordance with the guidance received.

ii. Total amount of compensation for the fiscal year under review

Category	Amount of compensation (Millions of ¥)	Amount of compensation by type (millions of ¥)		Number of Directors and Company Auditors
		Basic compensation	Bonus	
Director (of which Outside Directors)	205 (32)	165 (32)	40 (-)	10 (5)
Company Auditor (of which Outside Company Auditors)	39 (25)	39 (25)	- (-)	5 (4)
Total (of which Outside Directors and Outside Company Auditors)	245 (57)	205 (57)	40 (-)	15 (9)

- (Notes) 1. As per a resolution adopted at the general meeting of shareholders held on June 28, 2007, the total remuneration paid to Directors is limited to ¥280 million per year (there were 7 Directors as of the end of the fiscal year under review), and the total remuneration paid to Company Auditors is limited to ¥50 million per year (there were 3 Company Auditors as of the end of the fiscal year under review).
2. The above amount of remuneration paid to Directors and Company Auditors includes the remuneration paid to two Directors (of which one is an Outside Director) and one Company Auditor (of which one is an Outside Company Auditor) who resigned during the fiscal year under review.
3. The above amount of remuneration paid to Directors does not include employee salaries or bonuses paid to Directors who are also employees of the Company.
4. The remuneration of each Company Auditor is decided by consultation among the Company Auditors, but due to the oversight nature of their auditor's role, they are only paid a fixed compensation.

(3) Outside Directors and Outside Company Auditors

i. The Company's Relationship with the Companies or Organizations in which Outside Directors or Company Auditors Hold Important Concurrent Positions:

Important concurrent positions held by Outside Auditors are as described in (1) Directors and Company Auditors, and there are no relationships between the Company and the relevant entities in which the Outside Directors hold concurrent positions.

ii. Main Activities during the Fiscal Year under Review

Category	Name	Attendance, remarks, and outline of duties performed in relation to the role expected of an Outside Director
Director	Kazumi Matsushige	He has attended 10 out of 10 meetings of the Board of Directors during the fiscal year under review. He has made statements at suitable times, offering expert insight based on his wealth of knowledge and experience as an academic, adequately fulfilling his role and responsibility of providing highly effective supervision of the Company's management.
Director	Shigenobu Aikyo	He attended 10 out of 10 meetings of the Board of Directors during the fiscal year under review. He has worked in the financial industry for many years and made statements at suitable times, offering expert insight based on his wealth of knowledge and experience in the fields of finance and accounting, adequately fulfilling his role and responsibility of providing highly effective supervision of the Company's management.
Director	Haruhiko Kato	He has attended 6 out of 8 meetings of the Board of Directors held since his appointment on June 29, 2023. He has worked in the financial industry for many years and made statements at suitable times, offering expert insight based on his wealth of knowledge and experience in the fields of finance and accounting, adequately fulfilling his role and responsibility of providing highly effective supervision of the Company's management.
Director	Noriko Kurimoto	She has attended 7 out of 8 meetings of the Board of Directors held since her appointment on June 29, 2023. She has made statements at suitable times, offering expert insight based on her wealth of knowledge and experience as an attorney, adequately fulfilling her role and responsibility of providing highly effective supervision of the Company's management.
Company Auditor	Yoshihiko Nakatani	He has attended 10 out of 10 meetings of the Board of Directors and 13 out of 13 meetings of the Board of Company Auditors during the fiscal year under review. He has made statements at suitable times, offering expert insights based on his wealth of knowledge and experience as a technical manager in the private sector and as an academic.
Company Auditor	Masahiro Morise	He has attended 10 out of 10 meetings of the Board of Directors and 13 out of 13 meetings of the Board of Company Auditors during the fiscal year under review. He has made statements at suitable times with expert insight, based on his wealth of experience and operational background.
Company Auditor	Kan Tsutagawa	He has attended 8 out of 8 meetings of the Board of Directors and 10 out of 10 meetings of the Board of Company Auditors held since his appointment on June 29, 2023. He has made statements at suitable times with expert insight, based on his wealth of experience and operational background.

(Note) Aside from the above-mentioned meetings of the Board of Directors, two written resolutions made in writing were deemed to have been passed by the Board of Directors in accordance with Article 370 of the Companies Act of Japan and Article 26, paragraph 2 of the Articles of Incorporation of the Company.

iii. Overview of Agreements Limiting Liability into which the Company entered with Outside Directors and Outside Company Auditors

In accordance with Article 427, Paragraph 1 of the Companies Act and Article 31, Paragraph 2 and Article 43, Paragraph 2 of the Articles of Incorporation of the Company, the Company has entered into limited liability contracts with its Outside Directors and Outside Company Auditors, which limit the amount of liability for damage as described in Article 423, Paragraph 1 of the Companies Act to the total of the amounts described in each of the items in Article 425, paragraph 1 of the Act.

(4) Outline of directors and officers liability insurance contract

In accordance with Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company, to ensure that its Directors and Company Auditors are able to freely fulfill their expected roles in executing their duties, and to enable the Company to secure outstanding human resources.

i. Persons insured and premiums

The insurance contract covers Directors, Company Auditors, and executive officers of the Company and its subsidiaries (including persons appointed after conclusion of the contract). In the case of the Company and certain subsidiaries, a portion (determined in accordance with the covered person's role) of the insurance premium is borne by the covered individuals. Otherwise, the insurance premium is borne by the Company.

ii. Outline of insurance incidents covered by the policy

The insurance policy covers payable damages and litigation expenses incurred by an insured individual as a result of a damages claim arising from the execution of Company-related duties. However, we have taken measures to ensure that Directors and other officers perform their work duties with integrity, by excluding insurance coverage of any person that has engaged in bribery or criminal actions or in any kind of intentional misconduct.

5 Matters Concerning Accounting Auditor

(1) Name of Accounting Auditor: Deloitte Touche Tohmatsu LLC

(2) Amount of Compensation Paid to the Accounting Auditor

	Amount paid
Amount of compensation for the fiscal year under review	¥61 million
Total remuneration and fees to be paid to the Accounting Auditor by the Company and its subsidiaries	¥66 million

(Notes) 1. In the audit contract between the Company and the Accounting Auditor, the amount of compensation is not separated into compensation for an audit conducted under the Companies Act and compensation for an audit conducted under the Financial Instruments and Exchange Act of Japan. Therefore, the above amount of compensation paid to the Accounting Auditor for the fiscal year under review is stated as a total amount.

2. The Company's Board of Company Auditors agreed on the amount of compensation to the Accounting Auditor in accordance with Article 399, Paragraph 1 of the Companies Act, after having reviewed the audit plan presented by the Accounting Auditor as well as the Auditor's performance of its auditing duties.

3. Aside from the above, the amount of compensation booked in the fiscal year under review includes additional compensation of ¥5 million pertaining to the previous fiscal year.

(3) Non-Audit Services Entrusted to the Accounting Auditor

The Company and its subsidiaries pay compensation to the Accounting Auditor for its non-audit services that are outside the services prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan.

(4) Policy on Decisions Concerning Dismissal or Non-Reappointment of the Accounting Auditor

The Board of Company Auditors shall determine the content of the proposal to be submitted to a general meeting of shareholders concerning the dismissal or non-reappointment of the Accounting Auditor when the Board of Company Auditors deems it necessary to do so, such as in the event that the Accounting Auditor is hindered from performing proper execution of duty.

Furthermore, if the Accounting Auditor is determined to fall under any of the items set forth in Article 340, Paragraph 1 of the Companies Act, the Board of Company Auditors, with the unanimous consent of its members, shall dismiss the Accounting Auditor. In such a case, a Company Auditor selected by the Board of Company Auditors shall report the dismissal of the Accounting Auditor and reasons for the dismissal at the first general meeting of shareholders to be convened after the said dismissal.

(5) Agreement Limiting Liability Entered into with the Accounting Auditor

Not applicable

(6) Matters Concerning an Order to the Accounting Auditor to Suspend Business

Not applicable

(7) Audit of Financial Reports of the Company's Subsidiaries Conducted by a Certified Public Accountant or an Auditing Firm other than the Company's Accounting Auditor

Not applicable

- (8) Matters Concerning the Accounting Auditor Who Resigned during the Fiscal Year under Review
Not applicable

6 Basic Policy on the Control over the Company

As stated in our mission statement, “we strive to attain a better global environment and to dedicate ourselves to creating valued products that will contribute to a brighter future for society.” We also strive to live up to our ethical and social responsibilities and to diligently work to exceed the expectations of our shareholders and all other stakeholders, and aim to maximize our corporate value by means of “ko-do (Think and Work)”.

Based on the mission statement above, our basic policy on the control over the Company should an acquisition offer be made to the Company, is that the final decision on whether to accept it or not should rest with the shareholders of the Company. Also, in such a case, in the interests of securing and enhancing the Company’s value and the shareholders’ common interest, we will ensure that all of our shareholders will have sufficient information and a reasonable review period to make an informed judgment through fair and transparent procedures for confirming shareholder intentions.

7 Systems for Ensuring Proper Execution of Business and Their Post-Implementation Status

The matters resolved by the Board of Directors with regard to the systems for the Company to ensure proper execution of business and the post-implementation status of those systems are as follows:

- (1) System for Ensuring that Directors and Employees Comply with Laws and Regulations, as well as the Articles of Incorporation of the Company, in the Execution of their Duties
 - i. In order to ensure the Directors and employees of the Company and Nichicon Group companies realize our Management Philosophy, we strive to comply not only with laws and regulations and the Articles of Incorporation and internal rules of the Company, but also with sound social norms and ethics, to manage our business in accordance with the Nichicon Group Code of Conduct (originally adopted in October 2002, and revised in April 2013 and in April 2024), and to foster a corporate culture as well as promote training and raising of awareness based on the foregoing. The revised Code of Conduct incorporates the requirements outlined in the code of conduct set forth by the Responsible Business Alliance (former Electronic Industry Code of Conduct) with regard to labor, environment, health and safety, and ethics.
For the purpose of ensuring the effectiveness of internal control, we also have in place the Sustainability Promotion Committee, chaired by the Representative Director and President of the Company.
 - ii. We seek to ensure compliance by conducting compliance awareness-raising activities and education activities held at conferences and all-hands meetings at the beginning of workdays on a regular basis. We also have in place an internal reporting system (Compliance Hotline). In addition, the Compliance/Competition Law Compliance and Risk Management Subcommittee, under the Sustainability Promotion Committee, is responsible for developing and implementing an internal system that ensures adherence to laws, regulations, and rules, and for regularly raising awareness by providing training and materials for compliance-training sessions.
 - iii. The Internal Audit Office verifies awareness of compliance issues and maintenance of a proper control environment through its regular internal audits of the Company and Nichicon Group companies.
 - iv. We also have a system in place that enables Company Auditors to present their opinions and request improvements whenever they identify a problem with respect to compliance by the Company and Nichicon Group companies with laws and regulations or the Articles of Incorporation.
 - v. The Nichicon Group Code of Conduct stipulates that the Company takes a firm stance against, maintains no relationships with, and provides no support for the activities of any antisocial forces or bodies that pose a threat to the order and safety of society, and that the Company continues to be a fair and ethical company. We take an uncompromising stance in this matter by establishing a dedicated department to address any issues, collecting information, collaborating with external specialists, and conducting in-house educational activities.
- (2) System for Preserving and Managing Information Concerning the Execution of Duties by Directors
In order to preserve and manage information concerning the execution of duties by directors of the Company and Nichicon Group companies, we have expanded and updated the regulations related to information, including the Information Management Regulations and the Document Management Regulations, based on the Basic Policy on Information Security. Execution of duties by directors is documented (including in electromagnetic format) and stored and managed in an appropriate and highly searchable manner in accordance with these regulations.
- (3) Regulations and Systems for Loss Risk Management
 - i. The Company and Nichicon Group companies have in place and practice the Risk Management Regulations to avoid losses and risks and to mitigate damages in the event that risks materialize.
 - ii. To protect the Company from losses and risks, and to continue to earn the trust of society, we have in place the Sustainability Promotion Committee, chaired by the Representative Director and President of the Company. The Compliance/Competition Law Compliance and Risk Management Subcommittee established under the Committee, in liaison with the General Affairs Division, conducts a regular compilation and assessment of risks on a company-wide basis, and monitors the status of management of losses and risks. The subcommittee also provides employees with education and training in risk management.
Losses and risks associated with business operations include legal compliance, human rights and labor, health and safety, natural disasters, quality of products and services, environment, information security, export control, and trade credit administration. We have in place a system for eliminating or mitigating these risks, which might have a significant impact on business management.
 - iii. We have established a system to protect human lives and ascertain the safety of employees and their families in the event of a disaster, and continuously review and upgrade our Business Continuity Planning (BCP) and Business Continuity Management (BCM) in an effort to provide uninterrupted business operations and to ensure a prompt resumption of operations should an interruption occur.
 - iv. To ensure the accuracy and reliability of financial reporting, we ensure effective risk management by evaluating and confirming the execution of internal control activities in accordance with relevant laws and regulations. For the purpose of ensuring the above, we have in place the Internal Control Promotion Committee, chaired by the Representative Director and President of the Company.
- (4) System for Ensuring the Efficient Execution of Duties by Directors
 - i. To accelerate decision-making by Directors and ensure efficient business operations, we have streamlined the number of participants at Board of Directors Meetings and convene extraordinary meetings as needed to facilitate prompt and appropriate decision-making.
The Board of Directors has established a structure to ensure efficient business execution on a company-wide basis, by regularly monitoring the progress status of business execution and formulating improvement measures thereon.
We have in place an executive officer system to separate the function of executing business operations from that of management oversight, which enables expedited management as well as effective and efficient business operations through a clearly defined division of duties and authority and through flexible decision-making that takes into consideration the nature of each operating division.
 - ii. We have in place Regulations on Divisional Responsibilities, Office Regulations, and Regulations on Management of Affiliated Companies which define the duties and responsibilities that come with each job position and the responsibilities of each organizational unit with regard to directors and employees of the Company and Nichicon Group companies. We ensure management efficiency through these regulations, and conduct regular audits to confirm business and duties are carried out according to these regulations.
- (5) Systems for Ensuring the Proper Execution of Business by the Company Group Consisting of the Company and its Subsidiaries
We strive to ensure that the Company and Nichicon Group companies share common values, including compliance, fostering a law-abiding spirit,

raising business ethics, increasing awareness of risk management, and commitment to social responsibility.

In addition, based on the Regulations on Management of Affiliated Companies and the Regulations on Internal Control over Financial Reporting, we enhance coordination between the Company and Nichicon Group companies, via directions, guidance, and reports, in promoting the internal control system. The Company has instructed Nichicon Group companies to report on their business conditions and financial results on a regular and continuous basis in order to achieve soundness and efficiency in business as a company group and to ensure reliability of the Group's financial reporting.

Company Auditors and the Internal Audit Office carry out audits and assessments of the Company and Nichicon Group companies, and report the results and findings to the Board of Directors.

- (6) Matters Concerning Employees Assigned to Assist Company Auditors and the Assurance that Such Employees Remain Independent from Directors, and Matters Concerning the Effectiveness of the Instructions Provided to Such Employees

Directors, in consultation with the Board of Company Auditors, appoint and assign employees to the Auditors Office to assist Company auditors. These employees are under the direction of Company Auditors, and personnel matters, including the appointment, transfer, appraisal, and remuneration of these employees, are determined upon advance consultation with and consent of the Board of Company Auditors to ensure their independence from directors.

- (7) Systems for Directors and Employees to Report to Company Auditors, Other Systems to Report to Company Auditors, and Systems to Ensure that Audits are Conducted Effectively by Company Auditors

Upon occurrence of matters that may cause serious impact or damage to the company they belong to, directors and employees of the Company and Nichicon Group companies are to report such matters to the Company Auditors without delay.

Company Auditors may, at any time, request reports as needed from the directors and employees of the Company and Nichicon Group companies.

In addition, we have a system in place that allows Company Auditors to attend meetings of the Board of Directors and other important meetings of the Company and Nichicon Group companies and express their opinions, and to request important documents, approval documents, and reports from directors or employees as necessary. Company Auditors perform audits by investigating the execution of duties by directors as well as business operations and assets of the Company and Nichicon Group companies, and through reviewing approval documents on important matters.

To ensure greater effectiveness of audits, Company Auditors receive, on a regular or as-needed basis, updates on internal audits from the Accounting Auditor and the Internal Audit Office.

Directors and employees of the Company and Nichicon Group companies who report to Company Auditors on important matters according to the above-mentioned policies are protected from any unfair treatment.

- (8) Post-Implementation Status of Systems for Ensuring Proper Execution of Business

i. During the fiscal year under review, the Company's Board of Directors, which comprises eight Directors, including four Outside Directors, met 10 times to make important management decisions and report on the execution of the Company's business, pursuant to relevant laws as well as the Company's Articles of Incorporation and Regulations Governing the Board of Directors. The Board also reviewed and revised important internal regulations.

ii. The Company held Management Meetings every month, in which the implementation and progress of business plans were reviewed, and important business topics and issues were reported on and discussed.

iii. During the fiscal year under review, the Company's Board of Company Auditors, which comprises four Company Auditors, including three Outside Company Auditors, met 13 times to report and exchange ideas on audit plans and results. Company Auditors attended meetings of the Board of Directors and other important meetings of the Company and advised the Company and Nichicon Group companies as needed on important management matters after having received reports from Directors and employees, reviewed approval documents, and conducted on-site audits to understand business issues and risks. The Company has in place three types of audits: audits by Company Auditors; audits by the Accounting Auditor; and internal audits. The Company Auditors, the Accounting Auditor, and the Internal Audit Office (responsible for conducting internal audits) collaborated with each other through exchanges of information.

iv. The Internal Audit Office, an organization unit independent of operating divisions of the Company, regularly conducted internal audits of the Company and Nichicon Group companies as part of efforts to enhance legal compliance, and reported the results and findings to the Board of Directors and the Board of Company Auditors.

v. To ensure the accuracy and reliability of financial reporting, the Internal Control Promotion Committee regularly evaluated the Company and Nichicon Group companies for their performance in company-level controls, financial reporting process controls, business process controls, company-level IT controls, and IT application controls, and reported the results and findings to the Board of Directors and the Board of Company Auditors.

vi. The Sustainability Promotion Committee, which comprises the Environment & Energy Subcommittee, the Compliance/Competition Law Compliance and Risk Management Subcommittee, and the Diversity Subcommittee, held joint sessions every month to promote the implementation of initiatives on sustainable growth and corporate social responsibilities of the Company and Nichicon Group companies, and provided progress reports to the Board of Directors and the Board of Company Auditors.

Consolidated Balance Sheet

(As of March 31, 2024)

(Millions of yen)

Assets		Liabilities	
Current Assets	118,468	Current Liabilities	75,224
Cash and deposits	29,387	Notes and accounts payable – trade	14,803
Notes and accounts receivable – trade and contract assets	40,159	Electronically recorded obligations - operating	15,248
Electronically recorded monetary claims - operating	7,615	Short-term borrowings	14,000
Securities	100	Current portion of long-term borrowings	2,500
Merchandise and finished goods	15,868	Current portion of convertible bond-type bonds with share acquisition rights	12,016
Work in process	6,193	Accounts payable – other	3,612
Raw materials and supplies	14,597	Accrued expenses	3,469
Other	4,633	Income taxes payable	1,164
Allowance for doubtful accounts	(86)	Contract liabilities	2,902
		Provision for bonuses	1,561
Non-Current Assets	88,462	Provision for bonuses for directors	40
Property, plant and equipment	51,983	Notes payable – facilities	438
Buildings and structures	16,978	Other	3,468
Machinery, equipment and vehicles	20,747	Non-Current Liabilities	17,874
Land	5,622	Long-term borrowings	6,250
Leased assets	1,145	Lease obligations	851
Construction in progress	5,183	Deferred tax liabilities	5,584
Other	2,305	Provision for product warranties	3,061
		Retirement benefit liability	1,415
Intangible assets	1,722	Other	710
		Total Liabilities	93,098
Investments and other assets	34,756	Net Assets	
Investment securities	31,384	Shareholders' equity	86,521
Long-term loans receivable	3,174	Share capital	14,286
Deferred tax assets	100	Capital surplus	16,860
Retirement benefit asset	401	Retained earnings	67,002
Other	905	Treasury shares	(11,628)
Allowance for doubtful accounts	(1,208)	Accumulated other comprehensive income	24,378
		Valuation difference on available-for-sale securities	14,494
Deferred assets	6	Foreign currency translation adjustment	9,884
Bond issuance costs	6	Non-controlling interests	2,939
		Total Net Assets	113,839
Total Assets	206,937	Total Liabilities and Net Assets	206,937

Consolidated Statement of Income

(For the Consolidated Fiscal
Year ended March 31, 2024)

(Millions of yen)

Accounts	Amount
Net sales	181,643
Cost of sales	150,383
Gross profit	31,260
Selling, general and administrative expenses	22,356
Operating profit	8,904
Non-operating income	3,209
Interest and dividend income	979
Share of profit of entities accounted for using equity method	177
Foreign exchange gains	1,748
Other	304
Non-operating expenses	707
Interest expenses	92
Provision of allowance for doubtful accounts	433
Other	181
Ordinary profit	11,407
Extraordinary income	347
Gain on sale of non-current assets	16
Gain on sale of investment securities	331
Extraordinary loss	1,172
Loss on disposal of non-current assets	63
Losses relating to antitrust laws	443
Impairment losses	664
Profit before income taxes	10,582
Income taxes-current	1,702
Income taxes-deferred	234
Profit	8,645
Profit attributable to non-controlling interests	391
Profit attributable to owners of parent	8,253

Consolidated Statement of Changes in Shareholders' Equity

(From April 1, 2023
to March 31, 2024)

(Millions of yen)

	Shareholders' Equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2023	14,286	16,860	60,938	(11,627)	80,457
Changes during period					
Dividends of surplus			(2,189)		(2,189)
Profit attributable to owners of parent			8,253		8,253
Purchase of treasury shares				(1)	(1)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	6,064	(1)	6,063
Balance as of March 31, 2024	14,286	16,860	67,002	(11,628)	86,521

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance as of April 1, 2023	11,724	6,656	18,380	2,516	101,354
Changes during period					
Dividends of surplus					(2,189)
Profit attributable to owners of parent					8,253
Purchase of treasury shares					(1)
Net changes in items other than shareholders' equity	2,769	3,228	5,998	422	6,421
Total changes during period	2,769	3,228	5,998	422	12,484
Balance as of March 31, 2024	14,494	9,884	24,378	2,939	113,839

Notes to Consolidated Financial Statements

1. Significant Accounting Policies Applied in the Preparation of the Consolidated Financial Statements
 - (1) Scope of Consolidation
 - i. Consolidated subsidiaries
 - Number of consolidated subsidiaries: 21
 - Names of consolidated subsidiaries: Nichicon Hi-Tech Foil Corp.; Nichicon (Kusatsu) Corp.; Nichicon (Kameoka) Corp.; Nichicon (Ohno) Corp.; Nichicon (Iwate) Corp.; Nichicon (Wakasa) Corp.; Torishima Electric Works, Ltd.; Nippon Liniac Co., Ltd.; Yutaka Electric Mfg. Co., Ltd.; Nichicon (America) Corp.; Nichicon (Austria) GmbH; Nichicon (Hong Kong) Ltd.; Nichicon (Singapore) Pte. Ltd.; Nichicon (Taiwan) Co., Ltd.; Nichicon (Thailand) Co., Ltd.; Nichicon Electronics Trading (Shanghai) Co., Ltd.; Nichicon Electronics Trading (Shenzhen) Co., Ltd.; Nichicon (Malaysia) Sdn. Bhd.; Nichicon Electronics (Wuxi) Co., Ltd.; Nichicon Electronics (Suqian) Co., Ltd.; Wuxi Nichicon Electronics R&D Center Co., Ltd.
 - ii. Non-consolidated subsidiaries
 - Non-consolidated subsidiaries: Harbor Electronics Co., Ltd., and three other companies
 - Reason for exclusion of these companies from the scope of consolidation:
The assets, net sales, profit or loss (to the extent corresponding to NICHICON CORPORATION's (the "Company") shareholding), retained earnings (to the extent corresponding to the Company's shareholding), and other factors are insignificant.
 - (2) Application of Equity Method
 - i. Non-Consolidated Subsidiaries or Affiliated Companies Accounted for under the Equity Method
 - Number of non-consolidated subsidiaries and affiliated companies accounted for under the equity method: 2
 - Names of non-consolidated subsidiaries and affiliated companies accounted for under the equity method:
Samwha Electric Co., Ltd., and Taicon Corporation
 - ii. Non-Consolidated Subsidiaries or Affiliated Companies Not Accounted for under the Equity Method
 - Names of non-consolidated subsidiaries and affiliated companies not accounted for under the equity method:
Harbor Electronics Co., Ltd., and four other companies.
 - Reason these companies are not accounted for under the equity method:
Their insignificance in light of their profit or loss (to the extent corresponding to the Company's shareholding), retained earnings (to the extent corresponding to the Company's shareholding), and other factors.
 - iii. Special Note on the Procedure of Equity Method Application
For those companies that are accounted for under the equity method and whose balance sheet dates are different from the consolidated balance sheet date, financial statements as of their balance sheet dates are used in preparing the consolidated financial statements.
 - (3) Balance Sheet Dates of Consolidated Subsidiaries
 - Five of the consolidated subsidiaries have balance sheet dates different from the consolidated balance sheet date.
 - The year-end closing date of Nichicon Electronics Trading (Shenzhen) Co., Ltd., is December 31. In preparing the consolidated financial statements, the Company used the pro-forma financial statements prepared by this subsidiary as of the consolidated balance sheet date.
 - The balance sheet dates of four subsidiaries, other than Nichicon Electronics Trading (Shenzhen) Co., Ltd., in China, also were December 31. The Company used the financial statements prepared by these four subsidiaries as of their balance sheet dates and made consolidating adjustments for significant transactions that occurred between their balance sheet dates and the consolidated balance sheet date in preparing the consolidated financial statements.
 - (4) Accounting Policies
 - i. Standards and Methods Used to Value Significant Assets
 - (a) Standards and methods used to value securities
 - Held-to-maturity debt securities: Held-to-maturity debt securities are amortized in equal installments over the term held (straight-line method).
 - Available-for-sale securities:
 - Stocks or other securities Fair value method is applied (Unrealized gains and losses are all directly charged or credited to net assets. Cost other than those without of sales is determined principally by the moving average method).
 - market value:
 - Stocks or other securities Stated principally at cost determined by the moving average method.
 - without market value:
 - (b) Standards and methods used to value inventories
 - Merchandise and finished Merchandise and finished goods, as well as work in process, are in principle valued at cost as determined by goods, and work in the gross average method. (The amount shown on the balance sheet is based on the written-down book value to process: reflect lower profitability.)
 - Raw materials and Raw materials and supplies are in principle valued at cost as determined by the moving average method. (The amount shown on the balance sheet is based on the written-down book value to reflect lower profitability.) supplies:
 - ii. Methods Used to Depreciate Significant Depreciable Assets

- (a) Property, plant and equipment (excluding leased assets): Depreciation of property, plant and equipment is, in principle, computed using the straight-line method.
The useful life of major buildings and equipment is as follows:
Buildings and structures: 3 to 50 years
Machinery, equipment, and vehicles: 2 to 13 years
 - (b) Intangible fixed assets (excluding leased assets): Depreciation of intangible fixed assets is computed using the straight-line method.
Software for internal use is amortized using the straight-line method over an estimated useful life of five years.
 - (c) Leased assets: Leased assets are depreciated using the straight-line method with their useful life being the lease period and with no residual value.
- iii. Standards Used to Account for Significant Allowances and Provisions
- (a) Allowance for doubtful accounts: To prepare for credit losses on accounts receivable, allowances for uncollectible receivables are provided for ordinary receivables based on a historical write-off ratio, and for specific bad debts based on a case-by-case determination of collectability by the management.
 - (b) Provision for product warranties: The Group records a provision for product warranties based on historical experience and estimated costs of providing, during the warranty period, free-of-charge services for the products it sells.
 - (c) Provision for bonuses: To provide bonus payments to employees, the Group books provisions based on the estimated amount of payments for the portion corresponding to the current consolidated fiscal year.
 - (d) Provision for bonuses for directors: To provide bonus payments to directors, the Group books provisions based on the estimated amount of payments for the portion corresponding to the current consolidated fiscal year.
- iv. Standards Used to Recognize Revenue and Expenses
- (a) Sale of Products
The Company and its subsidiaries (the "Group") mainly manufactures and sells capacitors and related products, and household energy storage systems. Considering indicators of the transfer of control, such as the transfer of physical possession, and the significant risks and rewards of ownership of the asset, the Group determines that performance obligations are satisfied at the time the products are delivered to customers and recognizes revenue from the sale of such products. The Company mainly receives consideration for the sale of products within six months.
 - (b) Long-term Contract
The Group enters into production long-term contracts for production of certain products of NECST business such as specialty power supplies for research and medical applications. When the Group's performance does not create an asset with an alternative use and has an enforceable right to payment for performance completed to date, the Group transfers control of assets arising from the Group's performance over time. The Group recognizes revenue based on the progress in satisfying the performance obligations over the contractual period, measuring progress at the end of each reporting period. In the case of the contracts with a very short term from the date of transaction commencement to the date when all performance obligations are expected to be satisfied, the Company recognizes revenue at the point in time when all performance obligations have been satisfied. The Group mainly receives consideration for the service contract within one year in accordance with terms and conditions.
- v. Standards Used to Convert Significant Assets and Liabilities Denominated in Foreign Currencies into Japanese Yen
- Assets and liabilities denominated in foreign currencies are converted into Japanese yen based on spot exchange rates in effect on the consolidated balance sheet date, and foreign exchange differences are recognized as income or loss. Assets and liabilities of our overseas consolidated subsidiaries are converted into Japanese yen based on spot exchange rates in effect on the consolidated balance sheet dates, and their revenues and expenses are converted into Japanese yen using the average rates during the periods concerned; foreign exchange differences are booked in foreign currency translation adjustment and non-controlling interests in the net assets section of the consolidated balance sheet.
- vi. Important Hedge Accounting Method
- (a) Hedge accounting method: The deferred hedge accounting method is principally applied. The appropriation method is applied for forward exchange contracts that fulfill the conditions for appropriation.
 - (b) Means of hedging and hedged Items: Means of hedging: Foreign exchange contracts
Hedged items: Foreign currency-denominated monetary claims
 - (c) Hedging policy: The Company enters into derivative transactions as a means of hedging foreign exchange risks. It does not engage in derivative trading for speculative purposes.
 - (d) Method for assessing hedging effectiveness: Effectiveness is judged based on the degree of market fluctuation of the hedged item during the period from hedge commencement to the time when the effectiveness is judged.
- vii. Other Important Considerations in Preparing Consolidated Financial Statements
- (a) Standards used to account for Retirement Benefit Liability
Retirement benefit liability was booked based on the amount of benefit obligations projected at the end of the current consolidated fiscal year, net of the amount of pension assets, in order to prepare for payment of retirement benefits to employees. Actuarial differences and past service costs are booked as a lump-sum expense in the consolidated fiscal year of their incurrence.
 - (b) Accounting for Deferred Assets
The straight-line method is applied to bond issuance costs over the redemption period of five years.
 - (c) Accounting treatment of corporate and local income taxes and related tax effect accounting
The Company and its domestic consolidated subsidiaries have applied the Group Tax Sharing System, and implement and disclose their accounting treatment of corporate and local income taxes and related tax effect accounting in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System(ASBJ, PITF No. 42, August 12, 2021).
2. Notes on Changes in Accounting Policy
(Changes in accounting policy that are difficult to differentiate from changes in accounting estimates)
(Change of depreciation method for property, plant and equipment)
The Company and its domestic consolidated subsidiaries applied the decline-balance method of depreciation for property, plant and equipment.

excluding leased asset (however, the straight-line method had been applied for buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998, and facilities attached to buildings and structured acquired on or after April 1, 2016), the depreciation method was changed to the straight-line method from the current fiscal year.

Based on the medium-term management plan "Vision 2025" (with the fiscal year ending March 31, 2026, as the final year of the plan), the Group intends to implement capital expenditure based on the growth strategies of the Capacitor business and NECST business of ¥10,000 million per annum consistently during the term of the plan. In response to changes in the exterior environment surrounding the Group, the Group is focusing its activities on the growing markets of mobility, telecommunications, and environment in the Capacitor business, and EV, applied systems, and dispersed power supply in the NECST business. For all these markets, the Group anticipate that technology development and market formation will take place over a sustainable and medium-to-long-term timeframe, in line with ESG/SDGs trends.

In response to changes in the business environment and the establishment of business strategies in response to the changes, we reviewed the depreciation method for property, plant and equipment. As a result, the Group determined that applying the straight-line method and allocating costs evenly over the useful life of property, plant and equipment could reflect the actual use of assets of the Company and its domestic consolidated subsidiaries more adequately, since property, plant and equipment of the Company and its domestic consolidated subsidiaries are expected to operate stably.

As a result, operating profit, ordinary profit, and profit before income taxes for the current consolidated fiscal year each increased by ¥1,351 million, compared with the previous method.

3. Notes on Changes in Presentation Method
Not applicable.

4. Notes on Accounting Estimates

(1) Impairment loss on property, plant and equipment

i. Amounts recorded on the consolidated financial statements for the consolidated fiscal year ended March 31, 2024

As of March 31, 2024, the Group has booked a total of ¥51,983 million of property, plant and equipment, including ¥16,978 million of buildings and structures and ¥20,747 million of machinery, equipment and vehicles. The Group also recorded impairment losses of ¥664 million in the consolidated fiscal year under review, relating to idle assets such as machinery, equipment, and vehicles related to the Capacitor business.

ii. Information concerning the contents of significant accounting estimates on identified items

The Group owns various tangible assets such as buildings and structures, machinery, equipment and vehicles related to the manufacture and sale of Capacitor business and NECST business products. The Group identifies its assets and asset groups based on the business segment used for performance management. The Group identified indications of impairment in certain asset groups in the Capacitor business in the current consolidated fiscal year. The Group compared the carrying amount of the asset or asset group with the asset or asset group's undiscounted future cash flows. As a result, the undiscounted future cash flow exceeded the carrying amount and no impairment losses were recognized except for idle assets.

The undiscounted future cash flows were estimated based on the management approved business plan, including assumptions such as sales plans and production plans based on the market trends, and also by assuming a growth rate based on the expected business environment and applying it to the period after final year of business plan to cover the periods beyond the terms of business plan.

In the event that future business plans require a review for reasons such as deterioration in market environment compared with our assumptions, the Group may recognize impairment losses in the following consolidated fiscal year.

(2) Recoverability of Deferred Tax Assets

i. Amounts recorded on the consolidated financial statements for the consolidated fiscal year ended March 31, 2024

As of March 31, 2024, the Group recorded ¥100 million of deferred tax assets and ¥5,584 million of deferred tax liabilities (deferred tax assets and deferred tax liabilities are presented on a net basis per same taxable entity).

ii. Information concerning the contents of significant accounting estimates on identified items

The Group recorded important deferred tax assets relating to tax losses carried forward. The amount of tax losses carried forward that is deemed recoverable based on the estimated taxable income (before deducting tax losses carried forward) for the following fiscal year is recorded as deferred tax assets.

Estimated taxable income for the following fiscal year is calculated on the basis of the business plan, including anticipated sales plans and production plans based on the market trends, approved by management.

In the event that future business plans require a review for reasons such as deterioration in market environment compared with our assumptions, the Company may reverse the accounting for deferred tax assets in the following consolidated fiscal year to the extent deemed unrecoverable.

5. Notes on the Consolidated Balance Sheet

(1) Receivables arising from contracts with customers

The amounts of receivables arising from contracts with customers included in "Notes and accounts receivable-trade and contract assets" are as follows:

Notes receivable - trade:	¥1,010 million	Accounts receivable - trade:	¥39,148 million
(2) Accumulated Depreciation on Property, Plant and Equipment	¥149,930 million		
(3) Tax Purpose Reduction Entry deducted from Acquisition Costs for Non-Current Assets			
Buildings and structures:	¥1,829 million	Machinery, equipment and vehicles:	¥3,273 million
Land:	¥1,181 million		

6. Notes on the Consolidated Statement of Income
(Impairment loss)

In the consolidated fiscal year under review, the Group recorded impairment losses on the following assets.

Purpose of Asset	Location	Type	Impairment loss
Idle assets	Malaysia	Machinery, equipment and vehicles	¥664 million

As a rule, the Group groups assets deployed in operations by business segment and idle assets by individual assets.

In the consolidated fiscal year under review, of the idle assets unutilized in the business, such as manufacturing facilities for the capacitor business, owned by consolidated subsidiary Nichicon (Malaysia) Sdn. Bhd., the book values of the assets for which the timing of reutilization cannot be determined, were reduced to their recoverable value. The reductions in value were recorded as impairment losses under extraordinary losses.

(Losses relating to antitrust laws)

As for the class action lawsuits filed in Israel related to the investigations by the competition authorities of several countries, the Group entered into a settlement agreement with plaintiffs that included payment of US\$ 2.91 million.

As a result, the Group recognized losses relating to antitrust law amounting to ¥443 million as extraordinary losses.

7. Notes on the Consolidated Statement of Changes in Shareholders' Equity

(1) Matters Concerning the Total Number of Issued Shares

(Unit: Thousand shares)

Type of shares	Number of shares as of April 1, 2023	Number of shares increased in the current consolidated fiscal year	Number of shares decreased in the current consolidated fiscal year	Number of shares as of March 31, 2024
Common stock	78,000	—	—	78,000

(2) Matters Concerning the Number of Treasury Shares

(Unit: Thousand shares)

Type of shares	Number of shares as of April 1, 2023	Number of shares increased in the current consolidated fiscal year	Number of shares decreased in the current consolidated fiscal year	Number of shares as of March 31, 2024
Common stock	9,583	0	—	9,584

Note: The increase of 0 thousand treasury shares resulted from the repurchase of fractional shares.

(3) Matters Concerning Dividends of Surplus

i. Dividends Paid

a. Matters concerning dividends in accordance with the resolution adopted at the 88th Ordinary General Meeting of Shareholders held on June 29, 2023:

- Aggregate amount of dividends ¥1,094 million
- Dividend per share ¥16.00
- Record date March 31, 2023
- Effective date June 30, 2023

b. Matters concerning dividends in accordance with the resolution adopted at the meeting of the Board of Directors held on November 8, 2023

- Aggregate amount of dividends ¥1,094 million
- Dividend per share ¥16.00
- Record date September 30, 2023
- Effective date December 6, 2023

ii. Dividends whose dates of record fell during the current consolidated fiscal year and effective dates fell on or after April 1, 2024

A proposal will be made as follows at the 89th Ordinary General Meeting of Shareholders to be held on June 27, 2024:

- Aggregate amount of dividends ¥1,163 million
- Source of dividends Retained earnings
- Dividend per share ¥17.00
- Record date March 31, 2024
- Effective date June 28, 2024

8. Notes on Financial Instruments

(1) Matters Concerning the Status of Financial Instruments

i. Policy on Financial Instruments

The Group raises funds to finance working capital and capital expenditure principally through bank borrowings (including green loans) and the issuance of convertible bond-type bonds with share acquisition rights. The Group deposits temporary surplus funds in financial products with low risk. We use derivatives only to hedge currency risks associated with trade credits denominated in foreign currencies, and not for speculative purposes.

ii. Details of Financial Instruments, Their Risks and Risk Management System

Trade credits such as notes receivable, accounts receivable, and electronically recorded monetary claims are subject to credit risks to our customers. To manage such credit risks, we keep track of due dates and account balances of each customer and perform a by-customer credit review annually, pursuant to our credit management regulations. Accounts receivable denominated in foreign currencies are subject to foreign exchange risks.

Pursuant to the Group's securities management regulations, the Group holds securities and held-to-maturity debt securities classified as investment securities only with high credit ratings to minimize their credit risks. Stocks the Group holds as investment securities are those issued by corporations with which the Group has business relationships, and are subject to market risks. The Group reviews, on an on-going basis, the risk of owning such stocks by monitoring their market prices and the issuers' (the Group's business partners') financial soundness regularly and by taking into consideration the relationships the Group has with them.

Short-term and long-term loans receivable are from our affiliated companies, whose financial soundness the Group monitors regularly.

Trade debts such as notes payable, accounts payable, and electronically recorded obligations in our possession have due dates within one year. Short-term and long-term borrowings are for the purpose of procuring operating capital and funds for equipment. This financing is obtained from our banks.

The convertible bond-type bonds with share acquisition rights are for the purpose of procuring necessary funds for equipment, repayment for long-term borrowings, and acquisition of treasury shares.

The Group executes and manages derivative transactions in accordance with its derivative management regulations. To minimize credit risks associated with derivative transactions, the Group enters into transactions only with financial institutions with high credit ratings.

Trade debts and borrowings are subject to liquidity risks (risks of settling liabilities on due dates). Each company in the Group has devised a monthly cash management plan to manage its liquidity risks.

(2) Matters Concerning Fair Values of Financial Instruments

The following table shows the amounts of financial instruments recognized on the consolidated balance sheet, their fair values, and the differences between them as of March 31, 2024, which was the consolidated balance sheet date.

	Consolidated balance sheet amount (Millions of yen)	Fair value (Millions of yen)	Difference (Millions of yen)
(1) Securities and investment securities			
i. Held-to-maturity debt securities	402	399	(2)
ii. Available-for-sale securities	26,374	26,374	—
iii. Shares of subsidiaries and associates	1,638	5,027	3,388
(2) Short-term and long-term loans receivable (*2)	3,447		
Allowance for doubtful accounts (*3)	(978)		
	2,468	2,468	—
Total assets	30,884	34,270	3,385
(1) Convertible bond-type bonds with share acquisition rights	12,016	12,001	(14)
(2) Long-term borrowings (*4)	8,750	8,716	(33)
Total liabilities	20,766	20,717	(48)

*1 The Company did not include or provide notes on cash, deposits, notes and accounts receivable-trade and contract assets, electronically recorded monetary claims, notes and accounts payable-trade, electronically recorded obligations, and short-term borrowings, since their fair value approximates book value due to their settlement within a short period of time.

*2 Short-term and long-term loans receivable include short-term loans receivable and current portions of long-term loans included in "Other" under "Current Assets" on the consolidated balance sheet.

*3 Deduction of allowance for doubtful accounts specifically provided for long-term loans receivable.

*4 Long-term borrowings include current portion of long-term borrowings.

Note 1: Stocks or other securities without market value

Category	Consolidated balance sheet amount (Millions of yen)
Unlisted stocks	3,069

Stocks and other securities without market value are not included in "(1) Securities and investment securities."

Note 2: Amounts to be redeemed after the consolidated balance sheet date from monetary credits and securities with maturity

	Due in one year or less (Millions of yen)	Due in more than one but less than five years (Millions of yen)	Due in more than five but less than 10 years (Millions of yen)	Due in more than 10 years (Millions of yen)
Securities and investment securities				
Held-to-maturity debt securities	100	302	—	—
Short-term and long-term loans receivable	273	1,025	1,147	1,001
Total	373	1,327	1,147	1,001

Note 3: Amounts to be repaid on monetary liabilities after the consolidated balance sheet date

	Due in one year or less (Millions of yen)	Due in more than one and up to two years (Millions of yen)	Due in more than two and up to three years (Millions of yen)	Due in more than three and up to four years (Millions of yen)
Convertible bond-type bonds with share acquisition rights	12,000	—	—	—
Long-term borrowings	2,500	2,500	2,500	1,250
Total	14,500	2,500	2,500	1,250

(3) Matters Concerning the Breakdown of Fair Values of Financial Instruments by Suitable Category

Fair value of financial instruments is classified into the three levels below according to the observability and significance of the inputs used in calculating their fair value.

- Level 1 Fair value calculated based on inputs such as assets or liabilities whose value can be observed as quoted prices in active markets
- Level 2 : Fair value calculated based on inputs other than quoted prices included within Level 1 that are observable for the assets and liabilities
- Level 3: Fair value calculated based on unobservable inputs for the assets or liabilities

When multiple inputs that have a significant influence on the calculation of fair value are used, the relevant financial instrument is classified in the level where the used input with the lowest priority belongs.

i. Financial instruments recorded on the consolidated balance sheet at fair value

Category	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Available-for-sale securities	26,374	—	—	26,374
Total assets	26,374	—	—	26,374

ii. Financial instruments other than financial instruments recorded on the consolidated balance sheet at fair value

(Millions of yen)

Category	Fair value			
	Level 1	Level 2	Level 3	Total
Securities and investment securities				
Held-to-maturity debt securities	—	399	—	399
Shares of subsidiaries and associates	5,027	—	—	5,027
Short-term and long-term loans receivable	—	3,447	—	3,447
Allowance for doubtful accounts	—	(978)	—	(978)
	—	2,468	—	2,468
Total assets	5,027	2,868	—	7,896
Convertible bond-type bonds with share acquisition rights	—	12,001	—	12,001
Long-term borrowings	—	8,716	—	8,716
Total liabilities	—	20,717	—	20,717

Note: Explanation of evaluation method and inputs involved in calculating fair value

Short-term and long-term investment securities

Since the fair value of corporate bonds is based on the prices quoted by dealing financial institutions, fair value is classified as Level 2. The fair value of listed stocks is valued using quoted market prices. Since listed stocks are traded in robust markets, their fair value is classified as Level 1.

Short-term and long-term loans receivable

Fair value is calculated by discounting the total present value of principal and interest at the interest rate that would apply to provision of an equivalent new loan, which is classified as Level 2.

Convertible bond-type bonds with share acquisition rights

Since the fair value is based on the prices quoted by dealing financial institutions, it is classified as Level 2.

Long-term borrowings (including current portion of long-term borrowings)

Fair value is calculated by discounting the total present value of principal and interest at the interest rate that would apply to an equivalent new borrowing, which is classified as Level 2.

9. Notes on Real Property Held for Rental or Investment

Notes are not provided as the gross amount of the real property held for rental or investment is immaterial.

10. Notes on Revenue Recognition

(1) Information on breakdown of revenues arising from contracts with customers

(Millions of yen)

	Reportable segment		
	Capacitor business	NECST business	Total
Net sales			
(Location)			
Japan	36,103	59,509	95,613
U.S.A.	15,189	34	15,224
Asia	42,983	15,669	58,653
Europe and other regions	12,152	—	12,152
Total	106,429	75,214	181,643
(Timing of revenue recognition)			
Goods transferred at a specific point in time	106,429	74,738	181,168
Goods transferred over a specific period of time	—	475	475
Total	106,429	75,214	181,643

(2) Base information for understanding revenues arising from contracts with customers

The information that serves as the basis for understanding revenues from contracts with customers is described under 1. Significant Accounting Policies Applied in the Preparation of the Consolidated Financial Statements, (4) Accounting Policies, iv. Standards Used to Recognize Revenue and Expenses.

(3) Information for understanding amounts of revenue in current and subsequent consolidated fiscal years

Contract assets principally reflect the Group's rights to consideration for fulfilling performance obligations over a specific period of time, and, at the point in time when such rights to payment become unconditional, are transferred to receivables. Receivables arising from contracts with customers are usually received within one year, in accordance with separately defined transaction terms.

Contract liabilities are primary considerations received from customers before delivery of products.

i. Balance of contract assets and contract liabilities

	Current consolidated fiscal year
Contract assets	—
Contract liabilities	¥2,902 million

Of the revenue recognized during the current consolidated fiscal year, ¥2,118 million was included in the opening balance of contract liabilities. In the current consolidated fiscal year, there was no recognized revenue from performance obligations satisfied in prior fiscal years.

ii. Transaction value allocated to unsatisfied performance obligations

The total transaction value allocated to unsatisfied performance obligations in contracts with customers and the period over which the revenue is expected to be recognized are as follows:

	Current consolidated fiscal year
Due in one year or less	¥1,188 million
Due in more than one year	¥954 million
Total	¥2,142 million

Since the Group has no transactions with specific contract periods longer than one year, except for the above, information on unsatisfied performance obligations is omitted for contracts with an initial expected contract period of one year or less by application of the practical expedient. There are also no significant amounts of consideration arising from contracts with customers that are not included in the transaction price.

11. Notes on Per-Share Information

(1) Net assets per share:	¥1,620.98
(2) Profit per share:	¥ 120.64

12. Notes on Significant Subsequent Events

Not applicable

13. Other Notes

Japanese yen accounts are presented in millions of yen and are rounded down to the nearest million yen

Balance Sheet

(As of March 31, 2024)

(Millions of yen)

Assets		Liabilities	
Current Assets	70,035	Current Liabilities	51,510
Cash and deposits	11,873	Notes payable – trade	89
Notes receivable - trade	863	Electronically recorded obligations - operating	1,313
Electronically recorded monetary claims - operating	6,994	Accounts payable – trade	17,775
Accounts receivable - trade	38,218	Short-term borrowings	14,000
Merchandise and finished goods	6,041	Current portion of long-term borrowings	2,500
Work in process	437	Current portion of convertible bond-type bonds with share acquisition rights	12,016
Raw materials and supplies	702	Accounts payable – other	1,223
Other	4,956	Accrued expenses	475
Allowance for doubtful accounts	(52)	Income taxes payable	285
		Contract liabilities	1,316
		Provision for bonuses	434
		Provision for bonuses for directors	40
Non-Current Assets	71,488	Other	40
Property, plant and equipment	16,782	Non-Current Liabilities	15,625
Buildings	8,551	Long-term borrowings	6,250
Structures	85	Deferred tax liabilities	5,374
Machinery and equipment	1,542	Provision for retirement benefits	645
Vehicles	3	Provision for product warranties	2,797
Tools, furniture and fixtures	617	Other	558
Land	5,098		
Leased assets	11	Total Liabilities	67,136
Construction in progress	871		
		Net Assets	
Intangible assets	1,217	Shareholders' equity	60,083
		Share capital	14,286
Investments and other assets	53,488	Capital surplus	17,068
Investment securities	26,722	Legal capital surplus	17,065
Shares of subsidiaries and associates	15,165	Other capital surplus	3
Long-term loans receivable	17,979	Retained earnings	40,357
Other	710	Legal retained earnings	2,141
Allowance for doubtful accounts	(7,090)	Other retained earnings	38,215
		Reserve for tax purpose reduction entry of non-current assets	55
		General reserve	16,517
Deferred assets		Retained earnings brought forward	21,642
Bond issuance costs		Treasury shares	(11,628)
		Valuation and translation adjustments	14,310
		Valuation difference on available-for-sale securities	14,310
		Total Net Assets	74,394
Total Assets	141,530	Total Liabilities and Net Assets	141,530

Statement of Income

(For the Fiscal Year Ended
March 31, 2024)

(Millions of yen)

Accounts	Amount
Net sales	144,716
Cost of sales	129,720
Gross profit	14,996
Selling, general and administrative expenses	11,436
Operating profit	3,559
Non-operating income	8,570
Interest and dividend income	4,465
Foreign exchange gains	2,205
Technical advisory fee income	85
Reversal of allowance for doubtful accounts	1,325
Other	487
Non-operating expenses	148
Interest expenses	68
Donations	47
Other	32
Ordinary profit	11,980
Extraordinary income	331
Gain on sale of investment securities	331
Extraordinary loss	447
Loss on disposal of non-current assets	4
Losses related to antimonopoly legislation	443
Profit before income taxes	11,864
Income taxes-current	495
Income taxes-deferred	(408)
Profit	11,777

Statement of Changes in Shareholders' Equity

(From April 1, 2023
to March 31, 2024)

(Millions of yen)

	Shareholders' Equity										
	Share capital	Capital surplus			Legal retained earnings	Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings			Total retained earnings		
						Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward			
Balance as of April 1, 2023	14,286	17,065	3	17,068	2,141	56	16,517	12,053	30,768	(11,627)	50,496
Changes during period											
Dividends of surplus								(2,189)	(2,189)		(2,189)
Reversal of reserve for tax purpose reduction entry of non-current assets						(0)		0	—		—
Profit								11,777	11,777		11,777
Purchase of treasury shares										(1)	(1)
Net changes in items other than shareholders' equity											
Total changes during period	—	—	—	—	—	(0)	—	9,589	9,588	(1)	9,587
Balance as of March 31, 2024	14,286	17,065	3	17,068	2,141	55	16,517	21,642	40,357	(11,628)	60,083

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance as of April 1, 2023		11,618	62,115
Changes during period			
Dividends of surplus			(2,189)
Reversal of reserve for tax purpose reduction entry of non-current assets			—
Profit			11,777
Purchase of treasury shares			(1)
Net changes in items other than shareholders' equity		2,691	2,691
Total changes during period		2,691	12,278
Balance as of March 31, 2024		14,310	74,394

Notes to Non-Consolidated Financial Statements

1. Significant Accounting Policies Applied in the Preparation of the Non-Consolidated Financial Statements
 - (1) Standards and Methods Used to Value Assets
 - i. Held-to-maturity Debt Securities: Held-to-maturity debt securities are amortized in equal installments over the term held (straight-line method).
 - ii. Shares of Subsidiaries and Affiliated Companies: Shares of subsidiaries and affiliated companies are valued at cost as determined by the moving average method.
 - iii. Available-for-sale Securities
 - Stocks or other securities other than those without market value: Fair value method is applied (Unrealized gains and losses are all directly charged or credited to net assets. Cost of sales is determined by the moving average method).
 - Stocks or other securities without market value: Stated at cost determined by the moving average method.
 - iv. Standards and methods used to value inventories
 - Merchandise and finished goods, and work in process: Merchandise and finished goods, as well as work in process, are valued by the individual cost method. (The amount on the balance sheet is based on the book value devaluation method based on lower profitability).
 - Raw materials and supplies: Raw materials and supplies are valued at cost as determined by the moving average method. (The amount on the balance sheet is based on the book value devaluation method based on lower profitability).
 - (2) Depreciation Methods for Non-Current Assets
 - i. Property, plant and equipment: (excluding leased assets)
 - Depreciation of property, plant and equipment is computed using the straight-line method.
 - The useful life of major buildings and equipment is as follows:
 - Buildings: 7 to 50 years
 - Machinery and equipment: 4 to 10 years
 - ii. Intangible Assets: (excluding leased assets)
 - Intangible assets are amortized using the straight-line method. Software for internal use is amortized using the straight-line method over an estimated useful life of five years.
 - iii. Leased Assets: Leased assets are depreciated using the straight-line method with their useful life being the lease period and with no residual value.
 - (3) Accounting for Deferred Assets
 - The straight-line method is applied to bond issuance costs over the redemption period of five years.
 - (4) Standards Used to Account for Allowances and Provisions
 - i. Allowance for Doubtful Accounts:
 - To prepare for credit losses on accounts receivable, allowances equal to the estimated amount of uncollectible receivables are provided for ordinary receivables based on a historical write-off ratio, and for specific bad debts based on a case-by-case determination of collectability by management.
 - ii. Provision for Product Warranties:
 - NICHICON CORPORATION (the "Company") records a provision for product warranties based on historical experience and estimated costs of providing, during a warranty period, free-of-charge services for the products it sells.
 - iii. Provision for Bonuses:
 - To provide bonus payments to employees, the Company books provisions based on the estimated amount of payments for the portion corresponding to the current fiscal year.
 - iv. Provision for Directors' Bonuses:
 - To provide for bonus payments to directors, the Company books provisions based on the estimated amount of payments for the portion corresponding to the current fiscal year.
 - v. Provision for Retirement Benefits:
 - This provision is booked based on the amounts of both benefit obligations and pension assets projected at the end of the current fiscal year, in order to prepare for payment of retirement benefits to employees.
 - Actuarial differences are booked as a lump-sum expense in the current fiscal year.
 - (5) Standards Used to Recognize Revenue and Expenses
 - i. Sale of Products
 - The Company mainly manufactures and sells capacitors and related products, and household energy storage systems. Considering indicators of the transfer of control such as the transfer of physical possession, and the significant risks and rewards of ownership of the asset, the Company determines that performance obligations are satisfied at the time the products are delivered to customers and recognizes revenue from the sale of such products. The Company mainly receives consideration for the sale of products within six months.

- ii. Long-term Contracts

The Company enters into production long-term contracts for production of certain products of NECST business such as specialty power supplies for research and medical applications. When the Group's performance does not create an asset with an alternative use and has an enforceable right to payment for performance completed to date, the Group transfers control of assets arising from the Group's performance over time. The Company recognizes revenue throughout the contract period, based on the progress made in the satisfaction of its performance obligations, measured at the end of each reporting period. In the case of the contracts with a very short term from the date of transaction commencement to the date when all performance obligations are expected to be satisfied, the Company recognizes revenue at the point in time when all performance obligations have been satisfied. The Company mainly receives consideration for the service contract within one year in accordance with terms and conditions.
 - (6) Standards Used to Translate Significant Assets and Liabilities Denominated in Foreign Currencies into Japanese Yen

Assets and liabilities denominated in foreign currencies are translated into Japanese yen according to spot exchange rates on the balance sheet date, and foreign exchange gains or losses are recognized as non-operating income or expenses.
 - (7) Important Hedge Accounting Method
 - i. Hedge Accounting Method

The deferred hedge accounting method is principally applied. The appropriation method is applied for forward exchange contracts that fulfill the conditions for appropriation.
 - ii. Means of Hedging and Hedged Items
 - Means of hedging: Foreign exchange contracts
 - Hedged items: Foreign currency-denominated monetary claims
 - iii. Hedge Method

The Company enters into derivative transactions as a means of hedging foreign exchange risks. It does not engage in derivative trading for speculative purposes.
 - iv. Method for Assessing Hedging Effectiveness

Effectiveness is judged based on the degree of market fluctuation of the hedged item during the period from hedge commencement to the time when the effectiveness is judged.
 - (8) Adoption of Group Tax Sharing System

The Company has adopted the Group Tax Sharing System.
2. Notes on Changes in Accounting Policy
(Changes in accounting policy that are difficult to differentiate from changes in accounting estimates)
(Change of depreciation method for property, plant, and equipment)
- While the Company applied the decline-balance method of depreciation for property, plant and equipment, excluding leased asset (however, the straight-line method had been applied for buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998, and facilities attached to buildings and structured acquired on or after April 1, 2016), the depreciation method was changed to the straight-line method from the current fiscal year.
- Based on the medium-term management plan, "Vision 2025" (with the fiscal year ending March 31, 2026, as the final year of the plan), the Group intends to implement capital expenditure based on the growth strategies of the Capacitor business and NECST business of ¥10,000 million per annum consistently during the term of the plan. In response to changes in the exterior environment surrounding the Company, the Company is focusing its activities on the growing markets of mobility, telecommunications, and environment in the Capacitor business, and EV, applied systems, and dispersed power supply in the NECST business. For all these markets, the Company anticipates that technology development and market formation will take place over a sustainable and medium-to-long-term timeframe, in line with ESG/SDGs trends.
- In response to changes in the business environment and the establishment of business strategies in response to the changes, the Company reviewed the depreciation method for property, plant and equipment. As a result, the Company determined that applying the straight-line method and allocating costs evenly over the useful life of property, plant and equipment could reflect the actual use of assets of the Company more adequately, since property, plant and equipment of the Company are expected to operate stably.
- As a result, operating profit, ordinary profit, and profit before income taxes for the current fiscal year each increased by ¥229 million, compared with the previous method.
3. Notes on Changes in Presentation Method
"Donations", which was included and presented as "Other" under "Non-operating expenses" until the previous fiscal year, is presented separately from the fiscal year under review due to its increased significance in terms of amount.
Donations in the previous fiscal year totaled ¥4 million.
4. Notes on Accounting Estimates
Recoverability of Deferred Tax Assets
- (1) Amounts recorded on the non-consolidated financial statements for the fiscal year ended March 31, 2024
As of March 31, 2024, the Company recorded ¥5,374 million of deferred tax liabilities (deferred tax assets before netting with deferred tax liabilities was ¥959 million).
 - (2) Information concerning the contents of significant accounting estimates on identified asset items
Method used to calculate the amounts stated in (1) is the same as described in "4. Notes on Accounting Estimates (2) Recoverability of Deferred Tax Assets" in the Notes to Consolidated Financial Statements.

5. Notes on the Balance Sheet

(1) Receivables from and Payables to Subsidiaries and Associates

Short-term receivables	¥19,436 million
Long-term receivables	¥17,979 million
Short-term payables	¥12,172 million

(2) Payables to Directors and Company Auditors ¥253 million

(3) Accumulated Depreciation on Property, Plant and Equipment ¥35,150 million

(4) Guarantee obligations

Joint guarantee obligations corresponding to electronically recorded obligations (including facility-related electronically recorded obligations) of subsidiaries and Associates

Nichicon (Wakasa) Corp.	¥3,006 million
Nichicon (Kusatsu) Corp.	¥2,919 million
Nichicon (Ohno) Corp.	¥2,620 million
Nichicon (Iwate) Corp.	¥2,519 million
Nichicon (Kameoka) Corp.	¥2,128 million
Other	¥1,847 million

Total ¥15,042 million

(5) Tax Purpose Reduction Entry deducted from Acquisition Costs for Non-Current Assets

Buildings ¥1,263 million Land ¥1,048 million

6. Notes to the Non-consolidated Statement of Income

(1) Transactions with Subsidiaries and Associates

i. Sales	¥52,719 million
ii. Purchases	¥90,534 million
iii. Non-sales transactions	¥4,108 million

(2) Losses Relating to Antitrust Laws

As for the class action lawsuits filed in Israel related to the investigations by competition authorities of several countries, the Group entered into a settlement agreement with plaintiffs that included a payment of US\$ 2.91million.

As a result, the Company recognized losses relating antitrust law amounting ¥443 million as extraordinary losses.

7. Notes on Statement of Changes in Shareholders' Equity

Matters concerning the number of treasury shares

(Unit: Thousand shares)

Type of shares	Number of shares as of April 1, 2023	Number of shares increased in the current fiscal year	Number of shares decreased in the current fiscal year	Number of shares as of March 31, 2024
Common stock	9,583	0	—	9,584

Note: The increase of 0 thousand treasury shares resulted from the repurchase of fractional shares.

8. Notes on Tax Effect Accounting

(1) Breakdown of significant reasons for the recording of deferred tax assets and deferred tax liabilities

Deferred tax assets	
Tax losses carried forward	¥4,015 million
Amount in excess of deductible expense limit for tax purposes (allowance for doubtful accounts)	¥2,185 million
Amount in excess of deductible expense limit for tax purposes (provision for bonuses)	¥132 million
Amount in excess of deductible expense limit for tax purposes (provision for retirement benefits)	¥197 million
Amount in excess of deductible expense limit for tax purposes (provision for product warranties)	¥855 million
Loss on valuation of shares of subsidiaries and associates	¥3,964 million
Other	¥393 million
Subtotal of deferred tax assets	¥11,744 million
Valuation-related reserves concerning loss carried forward	(¥3,055 million)
Valuation-related reserves concerning the sum of deductible and temporary difference	(¥7,729 million)
Total of valuation reserves	(¥10,785 million)
Total of deferred tax assets	¥959 million
Deferred tax liabilities	
Valuation difference on available-for-sale securities	¥6,309 million
Reserve for tax reduction entry of land	¥23 million
Other	¥0 million
Total deferred tax liabilities	¥6,334 million
Net deferred tax liabilities	¥5,374 million

(2) Accounting treatment of corporate and local income taxes and related tax effect accounting

The Company has applied the Group Tax Sharing System, and implements and discloses its accounting treatment of corporate and local income taxes and related tax effect accounting in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ, PITF No. 42, August 12, 2021).

9. Notes on Related-Party Transactions
Transactions with Subsidiaries and Affiliated Companies

(Millions of yen)

Type	Name of company	Percentage of voting rights owned by (held of) the Company	The Company's relationship with related party	Nature of transaction	Transaction amount	Accounts	Balance at year end
Subsidiaries	Nichicon Hi-Tech Foil Corp.	Directly Owned 100%	Financial support Concurrent directorships Lease of land and buildings, etc.	Sale of raw materials (*3) Purchase of raw materials (*3) Receipt of interest (*1)	30 9,132 19	Accounts receivable - trade Accounts payable – trade Long-term loans receivable (*2)	3,172 3,563 1,850
	Nichicon (Kusatsu) Corp.	Directly Owned 100%	Financial support Concurrent directorships Lease of land and buildings, etc.	Purchase of products (*3) Receipt of interest (*1) Guarantee for electronically recorded obligations (*4)	19,593 42 2,919	Accounts payable – trade Long-term loans receivable (*2)	1,984 3,700 –
	Nichicon (Kameoka) Corp.	Directly Owned 100%	Financial support Concurrent directorships Lease of land and buildings, etc.	Purchase of products (*3) Receipt of interest (*1) Guarantee for electronically recorded obligations (*4)	10,066 48 2,128	Accounts payable – trade Long-term loans receivable (*2)	1,712 4,309 –
	Nichicon (Ohno) Corp.	Directly Owned 100%	Financial support Concurrent directorships Lease of land and buildings, etc.	Sale of raw materials (*3) Purchase of products (*3) Receipt of interest (*1) Guarantee for electronically recorded obligations (*4)	132 17,106 18 2,620	Accounts receivable - trade Accounts payable – trade Long-term loans receivable (*2)	1,332 – 2,240 –
	Nichicon (Iwate) Corp.	Directly Owned 100%	Concurrent directorships Lease of land and buildings, etc.	Purchase of products (*3) Guarantee for electronically recorded obligations (*4)	10,435 2,519	Accounts payable – trade	–
	Nichicon (Wakasa) Corp.	Directly Owned 100%	–	Sale of raw materials (*3) Purchase of products (*3) Guarantee for electronically recorded obligations (*4)	1,065 15,760 3,006	Accounts receivable - trade Accounts payable – trade	1,548 3,800 –
	Yutaka Electric Mfg. Co., Ltd.	Directly Owned 100%	Financial support Concurrent directorships	Receipt of interest (*1)	30	Long-term loans receivable (*2)	2,737
	Nichicon (Austria) GmbH	Directly Owned 100%	Concurrent directorships	Sale of products (*3)	7,373	Accounts receivable - trade	1,674
	Nichicon (Hong Kong) Ltd.	Directly Owned 100%	–	Sale of products (*3)	17,245	Accounts receivable - trade	4,107
	Nichicon Electronics Trading (Shanghai) Co., Ltd.	Owned Directly Owned 80% Indirectly 20%	–	Sale of products (*3)	7,290	Accounts receivable - trade	1,627
	Nichicon (Malaysia) Sdn. Bhd.	Owned Directly Owned 55.5% Indirectly 44.5%	Financial support Concurrent directorships	Receipt of interest (*1)	41	Long-term loans receivable (*2)	1,653
	Harbor Electric Co., Ltd.	Owned Directly Owned 47.5% Indirectly 31.5%	Financial support	Receipt of interest (*1)	32	Long-term loans receivable (*2)	2,836

- Notes 1. Interest rates on the loans were determined rationally with due consideration of market interest rates. No collateral was received.
2. A total allowance for doubtful accounts of ¥6,860 million has been reserved for long-term loans receivable from subsidiaries. A total of ¥1,325 million of allowance for doubtful accounts was posted in the current fiscal year. Long-term loans receivable include current portion of long-term loans receivable.
3. Purchase and sale prices of products and raw materials were determined by reference to their market prices.
4. The Company provides guarantees for electronically recorded obligations (including facility-related electronically recorded obligations) of subsidiaries.

10. Notes on Revenue Recognition

(Base information for understanding revenues arising from contracts with customers)

Base information for understanding revenues arising from contracts with customers is omitted as the same information is provided in “10. Notes on Revenue Recognition” in “Notes to Consolidated Financial Statements.”

11. Notes on Per Share Information

(1) Net assets per share:	¥1,087.39
(2) Profit per share:	¥172.15

12. Notes on Significant Subsequent Events

Not applicable

13. Other Notes

Japanese yen accounts are presented in millions of yen and are rounded down to the nearest million yen.

(TRANSLATION)

INDEPENDENT AUDITOR’S REPORT

May 20, 2024

To the Board of Directors of
NICHICON CORPORATION:

Deloitte Touche Tohmatsu LLC
Kyoto Office

Designated Engagement Partner,
Certified Public Accountant:

Keiko Hishimoto

Designated Engagement Partner,
Certified Public Accountant:

Hiromi Ueda

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of NICHICON CORPORATION and its consolidated subsidiaries (the "Group"), namely, the consolidated balance sheet as of March 31, 2024, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from April 1, 2023 to March 31, 2024, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2024, and its consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As described in “Changes in accounting policy that are difficult to distinguish from changes in accounting estimates“, while NICHICON CORPORATION and its domestic consolidated subsidiaries applied the decline-balance method of depreciation for property, plant and equipment, excluding leased asset (however, the straight-line method had been applied for buildings (excluding facilities attached to buildings)acquired on or after April 1, 1998, and facilities attached to buildings and structured acquired on or after April 1, 2016), the depreciation method was changed to the straight-line method from the current fiscal year.

Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

(TRANSLATION)

INDEPENDENT AUDITOR’S REPORT

May 20, 2024

To the Board of Directors of
NICHICON CORPORATION:

Deloitte Touche Tohmatsu LLC
Kyoto Office

Designated Engagement Partner,
Certified Public Accountant:

Keiko Hishimoto

Designated Engagement Partner,
Certified Public Accountant:

Hiromi Ueda

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of NICHICON CORPORATION (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2024, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 89th fiscal year from April 1, 2023 to March 31, 2024, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2024, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As described in “Changes in accounting policy that are difficult to distinguish from changes in accounting estimates”, while the Company applied the decline-balance method of depreciation for property, plant and equipment, excluding leased asset (however, the straight-line method had been applied for buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998, and facilities attached to buildings and structured acquired on or after April 1, 2016), the depreciation method was changed to the straight-line method from the current fiscal year.

Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in the "Opinion" section of this English translation are not included in the attached financial documents. In addition, the other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

Copy of the Audit Report of the Board of Company Auditors (Translation)

AUDIT REPORT

The Board of Company Auditors received audit reports prepared by Company Auditors concerning the Directors' execution of their duties during the 89th fiscal year, ended March 31, 2024. After discussing the audit results on the basis of those reports, we have prepared this Audit Report and hereby report as follows.

1. Methods and details of audits conducted by Company Auditors and the Board of Company Auditors
 - (1) The Board of Company Auditors determined its auditing policies and division of duties, and received from each Company Auditor a report on audit execution status and results thereof. The Board also received reports from the Directors and Accounting Auditor on the status of the execution of their duties, requesting additional explanation as necessary.
 - (2) Each Company Auditor, in accordance with the standards for conducting audits established by the Board of Company Auditors and pursuant to its auditing policies and division of duties, communicated with the Directors, the Internal Audit Department and other employees, etc., to collect information and to improve the environment for the audits, and conducted the audits in the following manner:
 - i. Company Auditors attended meetings of the Board of Directors and other important meetings, received reports on the status of the execution of duties from the Directors and employees, requested additional explanation as necessary, reviewed important internal approval documents, and examined the status of business operations and assets at the Head Office and principal offices and factories. As for subsidiaries, Company Auditors communicated and exchanged information with the Directors and Company Auditors of the subsidiaries and received reports on their business as needed.
 - ii. On the details of the Board of Directors' resolution described in the Business Report regarding (i) the development of systems necessary to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation, and (ii) other systems necessary to ensure the properness of operations of the Company and operations of group of enterprises consisting of the Company and its subsidiaries (required pursuant to Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act), as well as the system that is established in accordance with such resolution (Internal Control System), Company Auditors received regular reports from Directors and employees, etc., regarding the status of the development and implementation of the Internal Control System, asked them for explanations as necessary, and stated opinions.
 - iii. Company Auditors reviewed the contents of the basic policies (required under Article 118, item (iii)-(a) of the Ordinance for Enforcement of the Companies Act) described in the Business Report, based on the deliberations in the meetings of the Board of Directors and other meetings.
 - iv. Company Auditors monitored and verified whether the Accounting Auditor maintained independence and conducted audits properly, received reports from the Accounting Auditor on the status of the execution of its duties, and requested explanations as necessary. Furthermore, Company Auditors received reports from the Accounting Auditor that it had a system in place for ensuring that it executes its duties (as described in each item under Article 131 of the Regulations on Corporate Accounting) pursuant to the Standards for Quality Control of Audits (Business Accounting Council, October 28, 2005), and requested additional explanations as necessary.

Based on the methods described above, we reviewed the Business Report and Supplementary Schedules; the non-consolidated financial statements, namely, the Balance Sheet, Statement of Income, Statement of Changes in Shareholders' Equity, and Notes on Non-consolidated Financial Statements and Supplemental Schedules; and the consolidated financial statements, namely, the Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Changes in Shareholders' Equity, and Notes to Consolidated Financial Statements, for the fiscal year under review.

2. Results of the Audit

(1) Audit results of the Business Report

- i. We have confirmed that the Business Report and the Supplemental Schedules accurately represent the state of the Company as of March 31, 2022, pursuant to the applicable laws and regulations, and the Articles of Incorporation of the Company.
- ii. We have not discovered any misconduct concerning the execution of duties by the Directors or serious violations of applicable laws and regulations or the Articles of Incorporation of the Company.
- iii. We have confirmed that resolutions adopted by the Board of Directors concerning the internal control system were reasonable. Moreover, we have found nothing that needs to be pointed out concerning the description of the internal control system in the Business Report or the execution of duties by the Directors.

The Company and some of its overseas sales subsidiaries have been under investigation by the Japan Fair Trade Commission (JFTC) and regulatory authorities of the European Union, the United States, and other bodies since March 2014 over alleged violations of applicable competition laws arising from the sale of aluminum electrolytic capacitors and tantalum electrolytic capacitors in respective regions and countries. In March 2016, the Company received from the JFTC a cease-and-desist order and an order to pay a surcharge for the investigation in Japan. We appealed against the assessments and judgments that the JFTC's orders were based upon and filed a legal action seeking cancellation of the order. We further made an appeal to a higher court, but in October 2021, the appeals court handed down a judgment to dismiss our appeal, and to not accept the Company's appeal. Accordingly, this action is now closed.

Outside of Japan, in December 2015, Nichicon (Hong Kong) Ltd., a Company subsidiary, was subjected to a penalty from the Taiwan Fair Trade Commission. In February 2016, the subsidiary appealed against the assessments and judgment on which the penalty was based and filed a legal action. The subsidiary further appealed to a higher court, and as a result, in November 2023, the Supreme Administrative Court handed down a judgment to annul the penalty decision on the grounds that the calculation method of the penalty was unlawful. Accordingly, this action is now closed. The Taiwan Fair Trade Commission is currently conducting a reinvestigation based on the judgment. In March 2018, the Company was sanctioned by the European Commission with a fine, and in May of the same year it filed a lawsuit to appeal the finding and decision of the sanction. However, in July 2023, a judgment was handed down to dismiss the claim. Accordingly, this action is now closed.

We have already paid the above surcharges and penalty in full by the due date in order to avoid the risk of having to pay delinquency charges. Class action lawsuits in relation to this matter have been filed against us in the United States and Canada. In the case of the U.S., in September 2018 we concluded a settlement with indirect customers involving the payment by us of US\$ 21.5 million, which received final approval from a US court in July 2020. We also concluded a settlement with direct customers in December 2018, involving the payment by us of US\$ 90 million, which received final approval from a US court in May 2019. In addition, we gradually reached settlements on the individual actions filed by capacitor buyers who had opted out of the class action, and, in November 2022, concluded a settlement agreement with the remaining four plaintiffs, including a payment by us of US\$ 34 million, closing all individual actions. With regard to the Canada class action, a settlement agreement was concluded in March 2023 with the plaintiffs, which includes a payment by us of C\$ 14.5 million, which received final approval from a Canadian court in November 2023. With regard to the class action in Israel, settlement agreements were concluded in March 2024 with the plaintiffs, which include a payment by us of US\$ 2.91 million. These settlement agreements will also be officially confirmed through court approval procedures.

As the Board of Company Auditors, we confirmed that the Group has ensured compliance with all laws and ordinances, and thus we continue to strive to further enhance our auditing capacities in order to strengthen and reinforce the Company's compliance systems and corporate ethics.

- iv. We have found nothing that needs to be pointed out with regard to the Basic Policy on the Control over the Company, described in the Business Report.

(2) Audit Results of the Non-consolidated Financial Statements, the Supplemental Schedules, and the Consolidated Financial Statements

We have confirmed that the methods of audits used by, and their results produced by, Deloitte Touche Tohmatsu LLC were appropriate.

May 20, 2024

The Board of Company Auditors, Nichicon Corporation

Standing Company Auditor	Sachihiko Araki
Standing Company Auditor (Outside)	Yoshihiko Nakatani
Outside Company Auditor	Masahiro Morise
Outside Company Auditor	Kan Tsutagawa

-End-