



FY2025 First Half of Financial Results Briefing

(April 1, 2024 through September 30 , 2024)

F.C.C. CO., LTD.
(November 11, 2024)

Prime Market, Tokyo Stock Exchange
Stock Code : 7296

URL : <https://www.fcc-net.co.jp/>



Consolidated Results Outline for the First Half of FY2025

Consolidated Forecast Outline for FY2025

➤ Results for the First Half of FY2025 (Year-on-year Comparison)

- Revenue increased due to the weakening of the yen and increased sales in India and Indonesia, despite decreased sales in China and the United States

Operating profit increased due to the effect of increased revenue and the impact of a weaker yen (highest level on record)

- Reinforcing the business foundation: Increase of profitability in the core (clutch) business

Motorcycles: Increase in revenue compared to the previous year due to efforts to keep up with market growth and sales expansion activities in India
Launch of high-value-added mechanism (automatic starting clutch)

Automobiles: Continued to strengthen business structure by promoting optimal production in the United States and China

- Business portfolio transformation: Investing cash in growth areas

Motorcycle CASE business: Start of mass production of motor cores in India and Indonesia

Automobile CASE business: Winning orders for aluminum cases for EV onboard electronic devices

Non-mobility business: Completed preparations for mass production of ceramic setters

➤ Forecast for FY2025

● Due to the downside risk in China, sales in the automobile clutch business are expected to decrease, but due to an increase in the motorcycle clutch business and foreign exchange gain, the forecast for revenue has been revised upwards to 243 billion yen, and operating profit remains unchanged at 16 billion yen.

➤ Shareholder returns

● Based on the progress of the Medium-Term Management Plan and the 20th anniversary of the company's listing

- Annual dividend forecast increased to 202 yen
(ordinary dividend of 76 yen, commemorative dividend of 126 yen)
- The maximum amount of purchase of treasury shares is set at 2.5 billion yen

Executive Summary

Financial Results for the First Half



(million yen)

➤ Results for the First Half of FY2025 (Year-on-year Comparison)

- Revenue and profit increased, with revenue and operating profit reaching a record level
- Promoted the increase of profitability in the core (clutch) business

Motorcycles:

Increase in sales to India and Indonesia

Automobiles:

Decrease in sales in China and the U.S.

※ Currency exchange impact

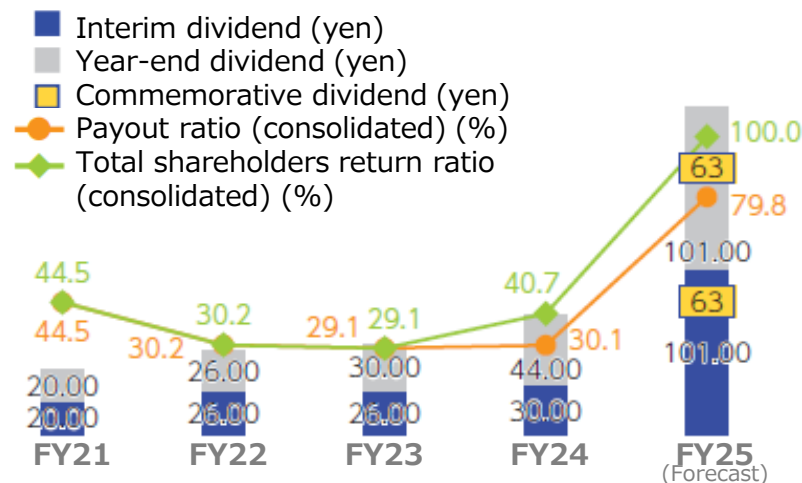
- Revenue: +6.8 billion yen
- Operating profit: +0.95 billion yen

Shareholder returns (dividend forecast, purchase of treasury shares)

Dividends	<p>Increased dividend from initial announcement at the beginning of the fiscal year to 202 yen per year (+128 yen compared to the previous year)</p> <ul style="list-style-type: none"> • Interim dividend: 101 yen • Year-end dividend forecast: 101 yen (ordinary dividend of 38 yen, commemorative dividend of 63 yen)
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Purchase of treasury shares	Purchase of treasury shares up to 2.5 billion yen or 1.25 million shares
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Dividend Per Share/ Payout Ratio/ Total Shareholders Return Ratio



Consolidated Results: Comparison of First Half Results and Second Half Forecast



FY2025 (million yen)	1st half Results	2nd half Forecast	Change (amount)
Revenue	127,323	115,677	-11,646
Operating Profit	10,025	5,975	-4,050
Operating profit ratio	7.9%	5.2%	
Exchange Rate (USD)	¥152.63	¥140.00	
Motorcycles			
Revenue	59,157	53,843	-5,314
Operating Profit	7,031	4,169	-2,862
Operating profit ratio	11.9%	7.7%	
Automobiles			
Revenue	68,138	61,762	-6,376
Operating Profit	4,561	3,239	-1,322
Operating profit ratio	6.7%	5.2%	
Non-mobilities			
Revenue	27	73	46
Operating Profit	-1,568	-1,432	136
Operating profit ratio	—	—	

➤ Forecast for Second Half of FY2025 (Comparison with First Half Results)

● Reflecting the downside risk in China and the impact of foreign exchange, revenue is 115.6 billion yen

(-11.6 billion yen compared to the first half)

Due to the impact of foreign exchange and a revision of the plan for research and development expenses for the second half, operating profit is 5.9 billion yen

(-4.0 billion yen compared to the first half)

※Currency exchange impact

•Revenue: -10 billion yen

motorcycles: -4.3 billion yen

automobiles: -5.7 billion yen

•Operating profit: -1.2 billion yen

● Major sales trends

Motorcycles: First half > second half

due to seasonal factors in India

Automobiles: Decrease in sales

in China and the United States

Revision of Consolidated Forecasts

(million yen)	FY2024 Results	Announcement at Start of FY2025	Current Forecast for FY2025	Change (amount)
Revenue	240,283	238,000	243,000	5,000
Operating Profit	15,102	16,000	16,000	0
Operating profit ratio	6.3%	6.7%	6.6%	
Exchange Rate (USD)	¥144.63	¥140.00	¥146.32	
Motorcycles				
Revenue	106,925	106,000	113,000	7,000
Operating Profit	9,547	9,000	11,200	2,200
Operating profit ratio	8.9%	8.5%	9.9%	
Automobiles				
Revenue	133,340	131,700	129,900	-1,800
Operating Profit	8,287	10,000	7,800	-2,200
Operating profit ratio	6.2%	7.6%	6.0%	
Non-mobilities				
Revenue	17	300	100	-200
Operating Profit	-2,732	-3,000	-3,000	0
Operating profit ratio	—	—	—	

➤ Full-year Forecast for FY2025 (Comparison with Forecast Announced in May 2024)

Although there is a downside risk in China, revenue is expected to increase by 5 billion yen to 243 billion yen due to factors such as an increase in the motorcycle clutch business and foreign exchange gain, while operating profit is expected to remain unchanged at 16 billion yen

※Currency exchange impact

- Revenue: +8.6 billion yen
- motorcycles: +3.5 billion yen
- automobiles: +5.1 billion yen



Progress of 12th Mid-term Management Plan

- Reinforcing the business foundation
- Business portfolio transformation

Progress of 12th Mid-term Management Plan

Motorcycle business

Core business/Clutch business

High-value-added mechanism: Orders for automatic starting clutches

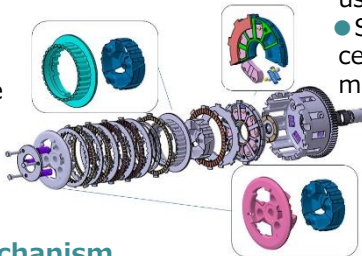
- The next-generation clutch system combines easy operation eliminating the need to operate the clutch when starting with the fun of manual operation
- Starting with European OEMs, we will expand sales to OEMs of various companies in the future
- Production started in Japan and expanded to India and Thailand

Features

- ①Easy ride with automatic starting mechanism using centrifugal force
- ②With engine brake using FCC's unique mechanism
- ③Equipped with an assist and slipper mechanism

Engine brake mechanism

- By making the center a two-part structure, back torque can be transmitted even without centrifugal force



Automatic starting mechanism

- Power transmission using centrifugal force
- Space-saving centrifugal force mechanism

Assist & slipper mechanism

- Reduces lever load
- Addition of slipper mechanism

New businesses/CASE area

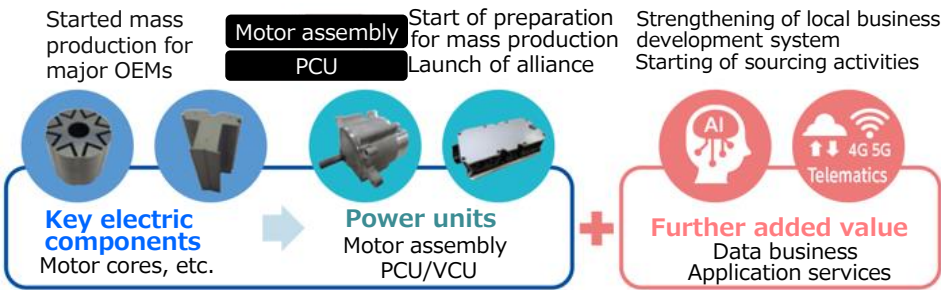
India and Indonesia

Start of mass production of laminated motor cores

- Steadily promoted regional strategies (India and ASEAN) for the shift to electrification

Continued power unit development Started sourcing for the development of further value-added businesses

- Executed LP investment in a fund managed by Rebright Partners
- Started sourcing for data business/application services in India and the ASEAN region



Progress of 12th Mid-term Management Plan

Automobile business

Core business/Clutch business

North America

Initiatives aimed at the HEV trend

- Continue to maximize revenue by flexibly reviewing the allocation of resources in accordance with ICE, HEV, and BEV trends

China

Expanding sales to local transmission manufacturers

- Expanding sales with ICE and HEV to local transmission manufacturers
Aiming to secure sales area

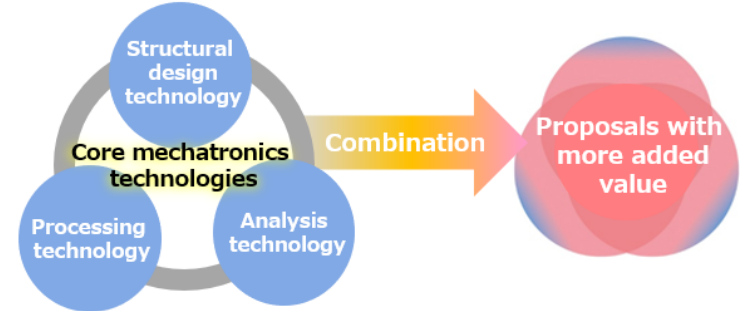
DISK/PLATE for expanding sales



New businesses/CASE area

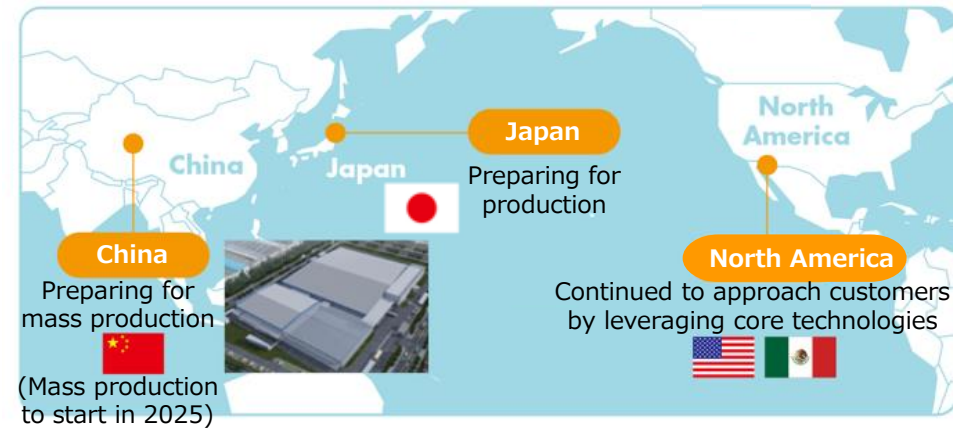
Received orders for aluminum cases for in-vehicle electronic devices for EVs

- Promoted value-added proposals by combining the core mechatronics technologies we have cultivated through clutch manufacturing



Laminated motor core mass production line: Commenced introduction at Hamakita Factory

- Built motor core production lines in China and Japan

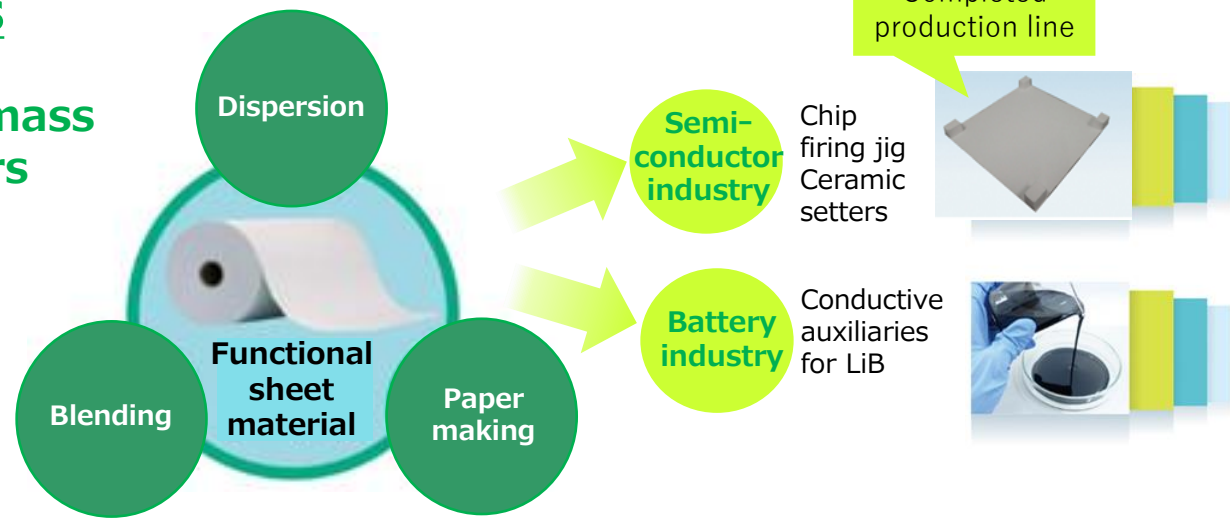


Progress of 12th Mid-term Management Plan

Non-mobility business

Completed preparation for mass production of ceramic setters

- Completed ceramic setter mass production line at Hosoe Factory
- To be entered the semiconductor and battery industries from functional sheet materials that make use of the friction material technology that is the FCC's strength



Carbon neutral/Solutions to social issues

Initiatives to improve corporate value

Shareholder returns

(interim dividends and purchase of treasury shares)

- Dividend:
Initially announced 38 yen per share
→ 101 yen per share
(including commemorative dividend of 63 yen)
- Purchase of treasury shares:
2.5 billion yen (max)

Investment in human capital

- Introduced a restricted stock incentive plan for the employee stock ownership plan
- Increased employee engagement
- To mark 20 years since listing, we further boosted employee morale and promoted understanding of shareholder value

Progress of 12th Mid-term Management Plan

We are maintaining sound finances and focusing on investment in core businesses and growth investments conscious of investment efficiency

In FY2025, we will expand shareholder returns based on the progress made under the 12th Medium-Term Management Plan

We are working towards a 30% new business portfolio by 2030

Cash allocation outlook

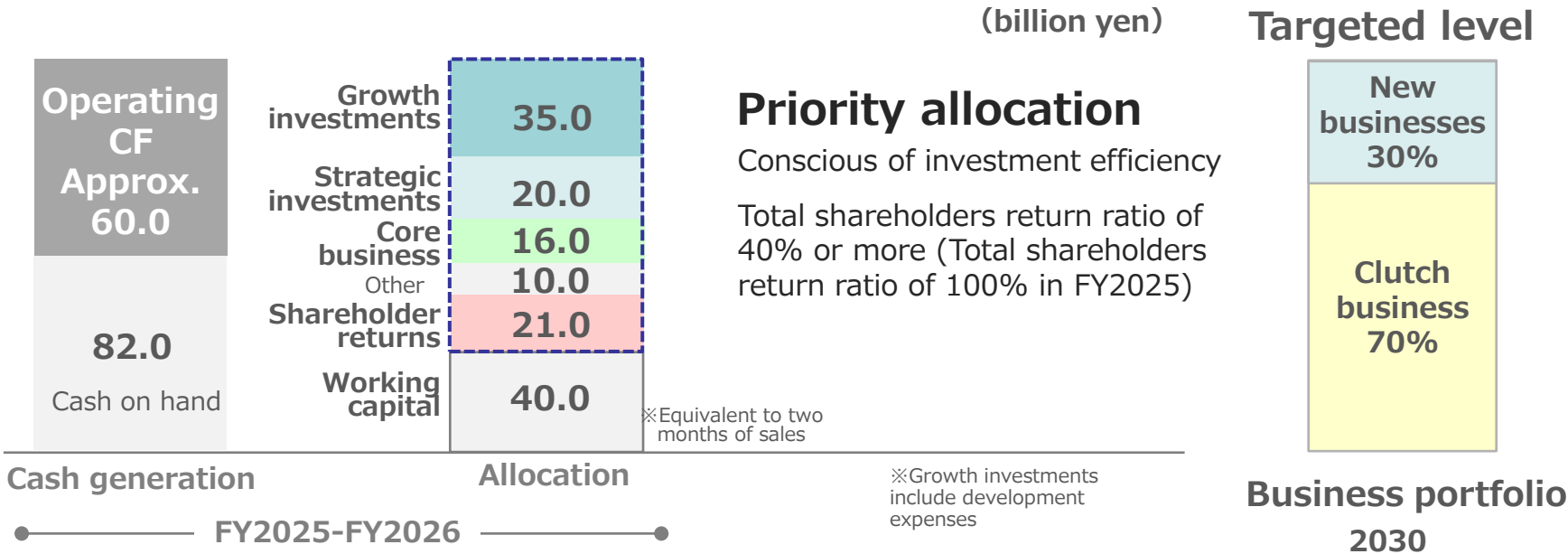
Reinforcing the business foundation

Business portfolio transformation



Cash generation from core business

Focused injection of resources into mobility (CASE) business and non-mobility business





Consolidated Results for the First Half of FY2025

Consolidated Results Outline for the First Half of FY2025

Because of increased sales in India and Indonesia, and the weakened JPY against USD, revenue and income increased, with revenue and operating profit reaching a highest record level

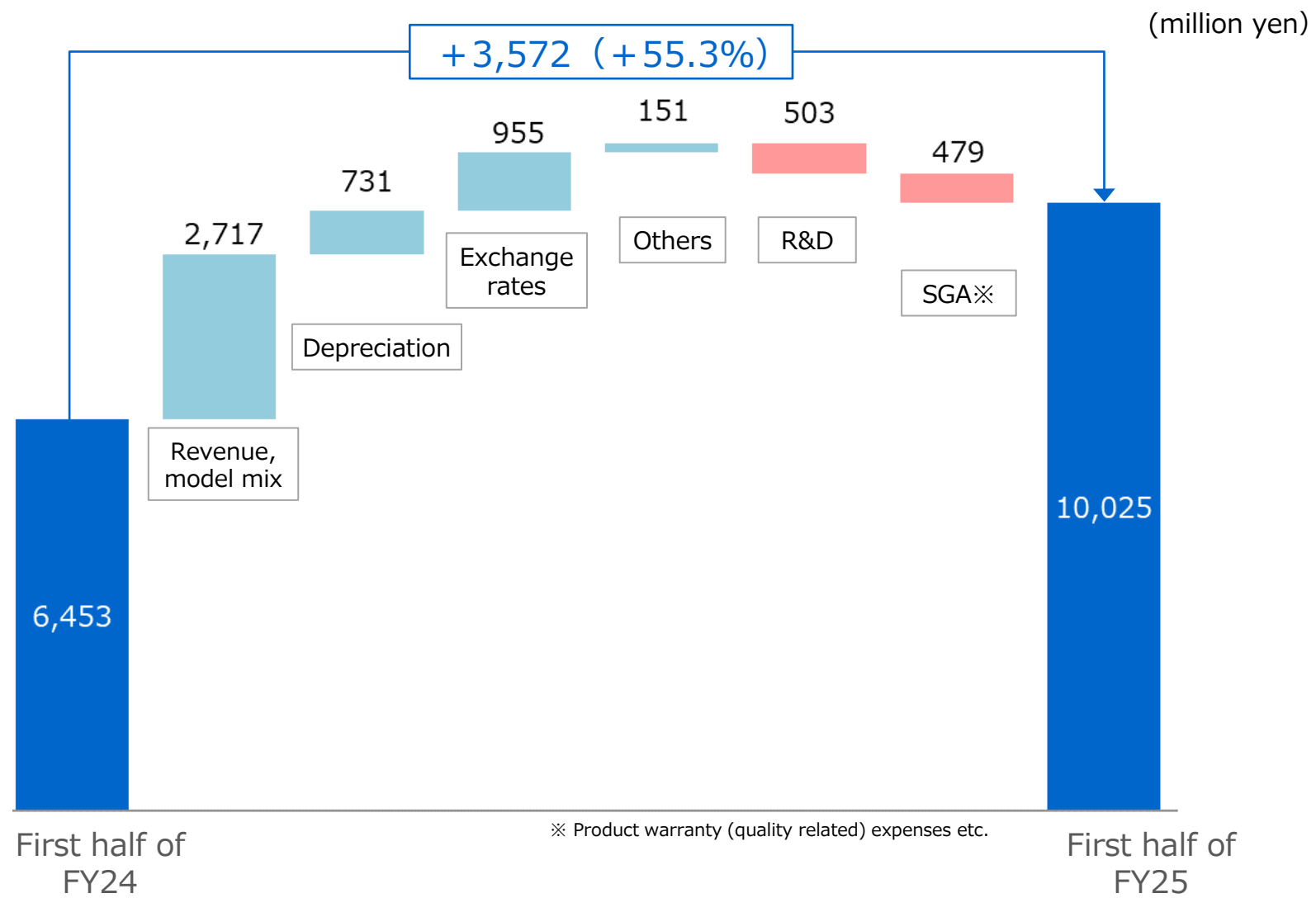
(million yen)

	First half of FY2024 Results	First half of FY2025 Results	Change (amount)	Change (%)
Revenue	116,960	127,323	10,362	8.9%
Operating profit	6,453	10,025	3,572	55.3%
Profit before income taxes	8,980	10,252	1,271	14.2%
Profit	6,168	7,729	1,560	25.3%
Profit attributable to owners of parent	5,977	7,701	1,724	28.8%
Basic earnings per share (Yen)	120.18	156.07	35.89	29.9%

Average exchange rate	First half of FY2024 Results	First half of FY2025 Results	Change
USD	¥ 141.00	¥152.63	¥11.63

First half of FY2025 Fluctuations for Operating Profit

Positive factors : Revenue, model mix...India and Indonesia
 Negative factors : Increasing R&D Expenditure (3.4% of sales revenue)

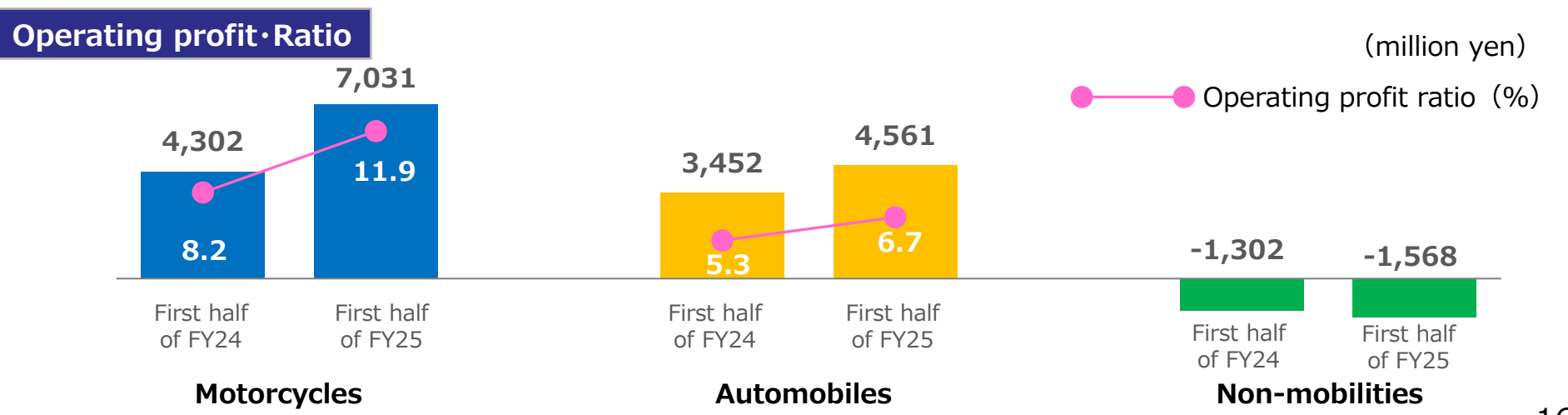
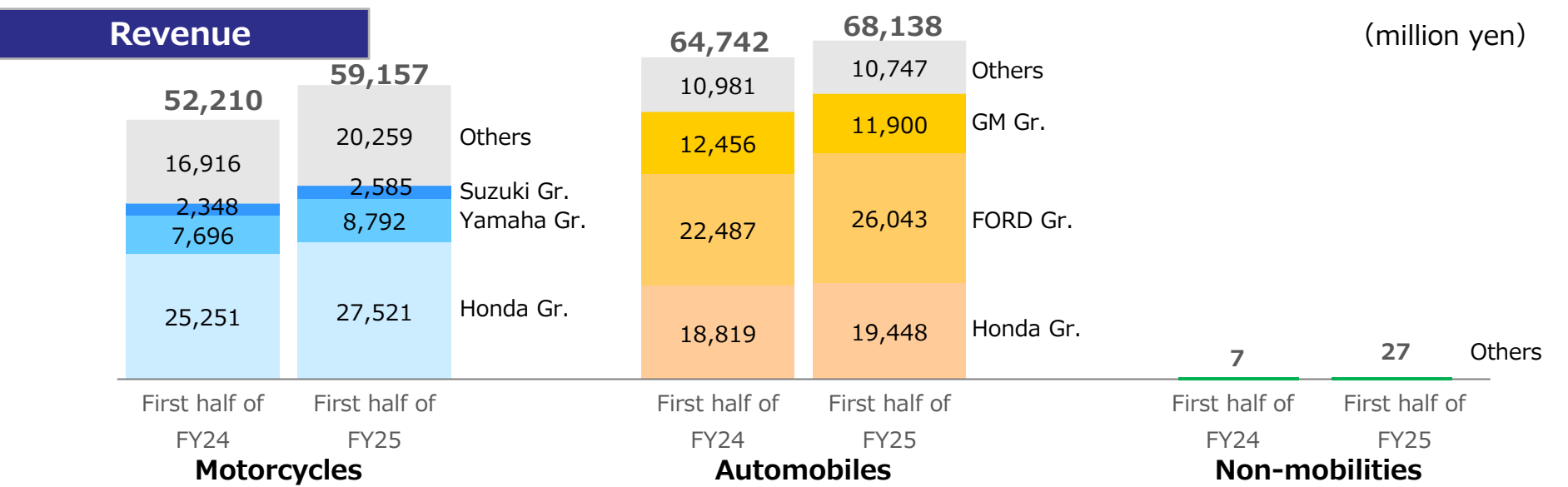


Revenue/Operating Profit by Business Segment

(First half of FY2025)

Motorcycle business : Increased sales in India and Indonesia, and impact of the weak yen

Automobile business : Decreased sales in China and U.S. were covered by impact of the weak yen

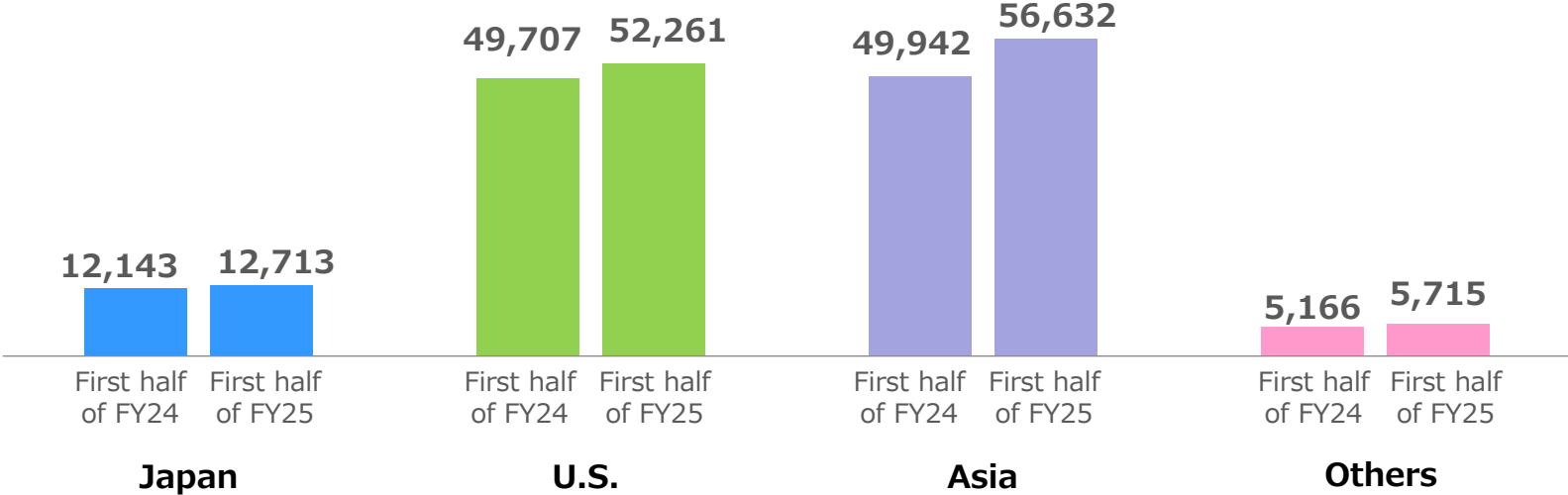


Revenue/Operating Profit by Geographical Segment

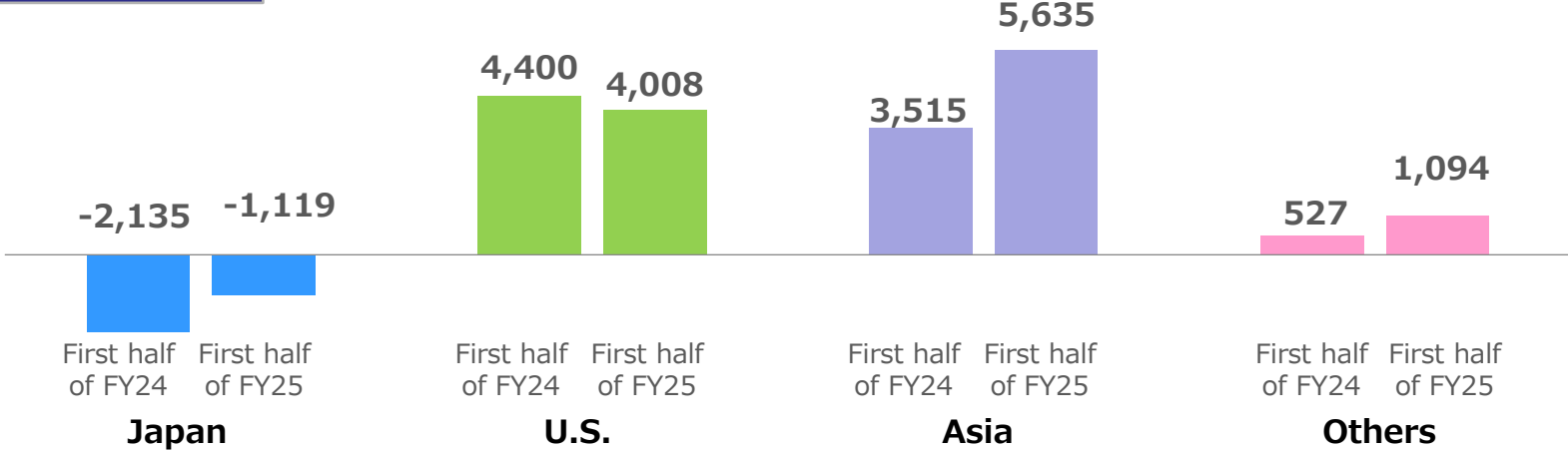
(First half of FY2025)

Revenue

(million yen)

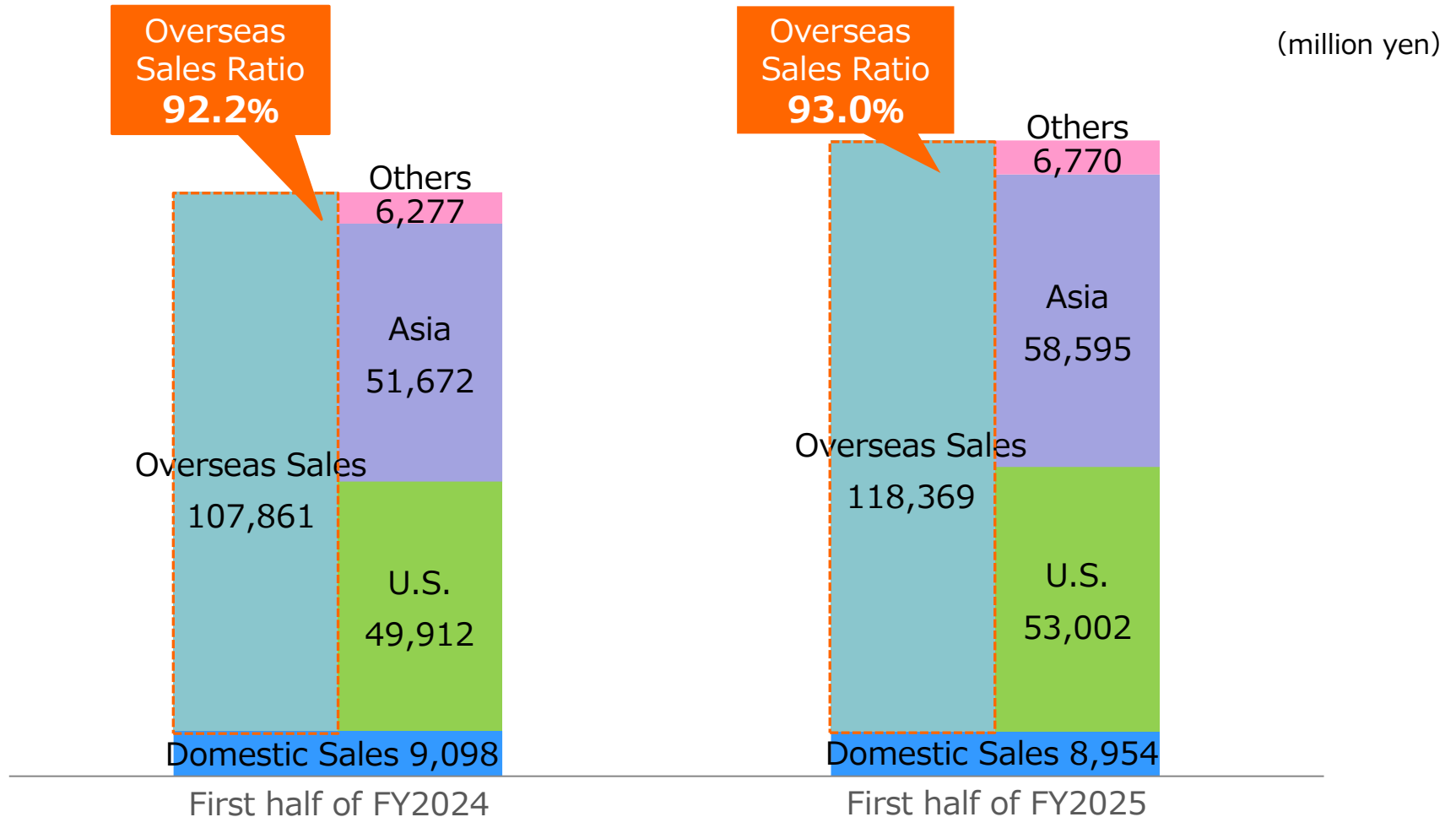


Operating profit



Overseas Sales Ratio

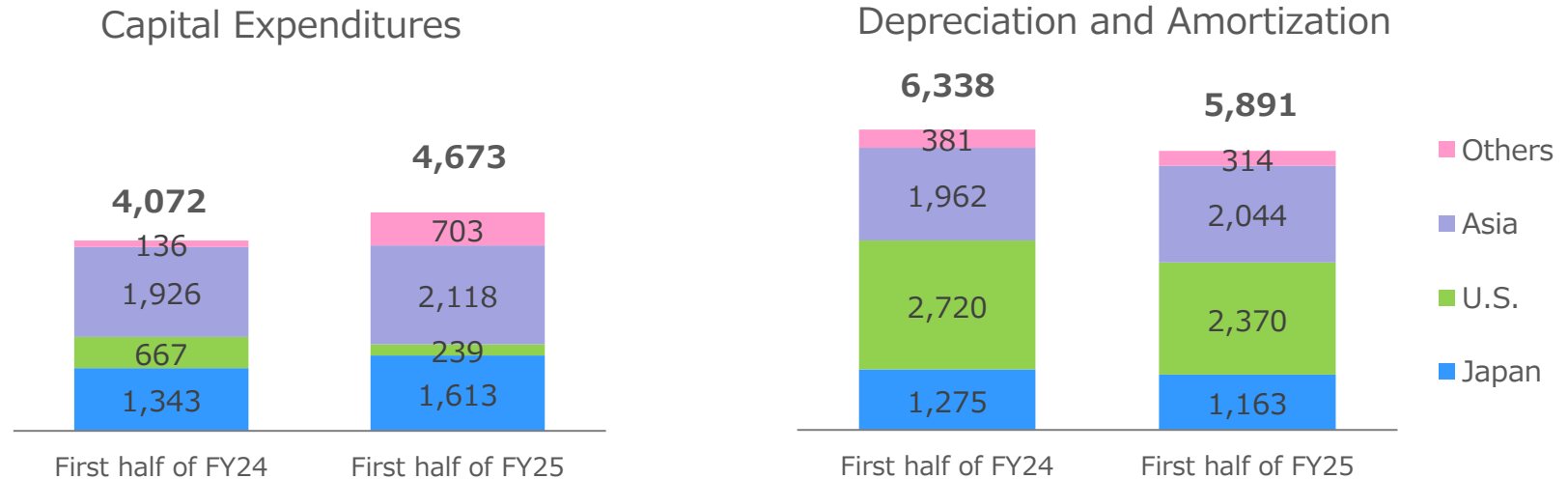
Overseas Sales Ratio: Increase of 0.8 point
compared to the previous fiscal year



Capital Expenditures, Depreciation & Amortization and Research & development expense (First half of FY2025)

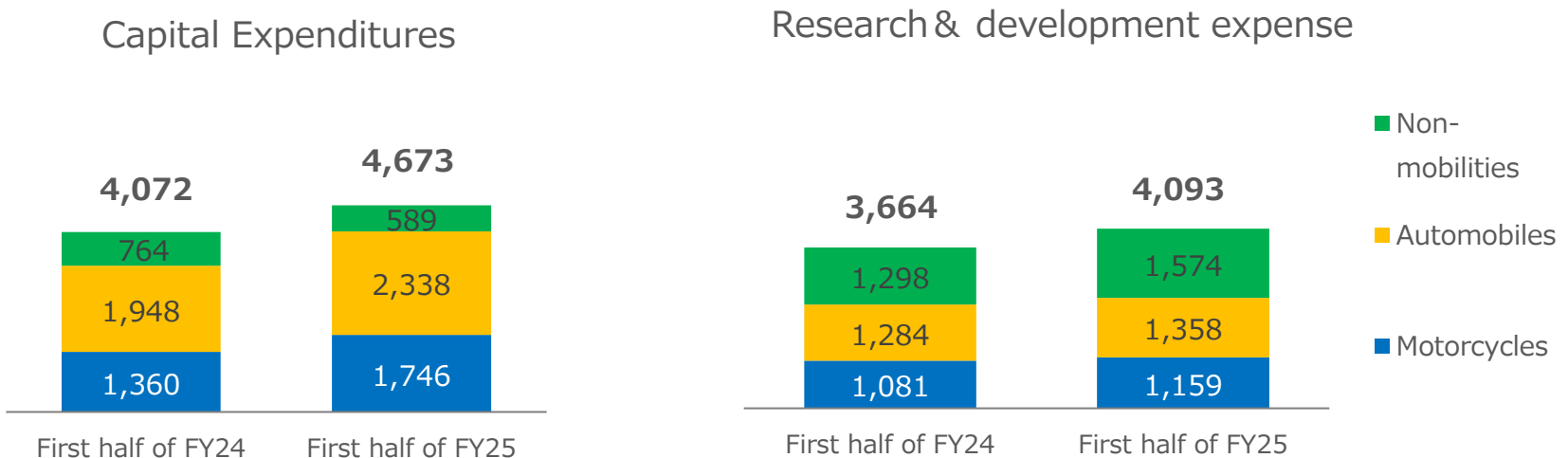
Geographical Segment

(million yen)



Business Segment

(million yen)



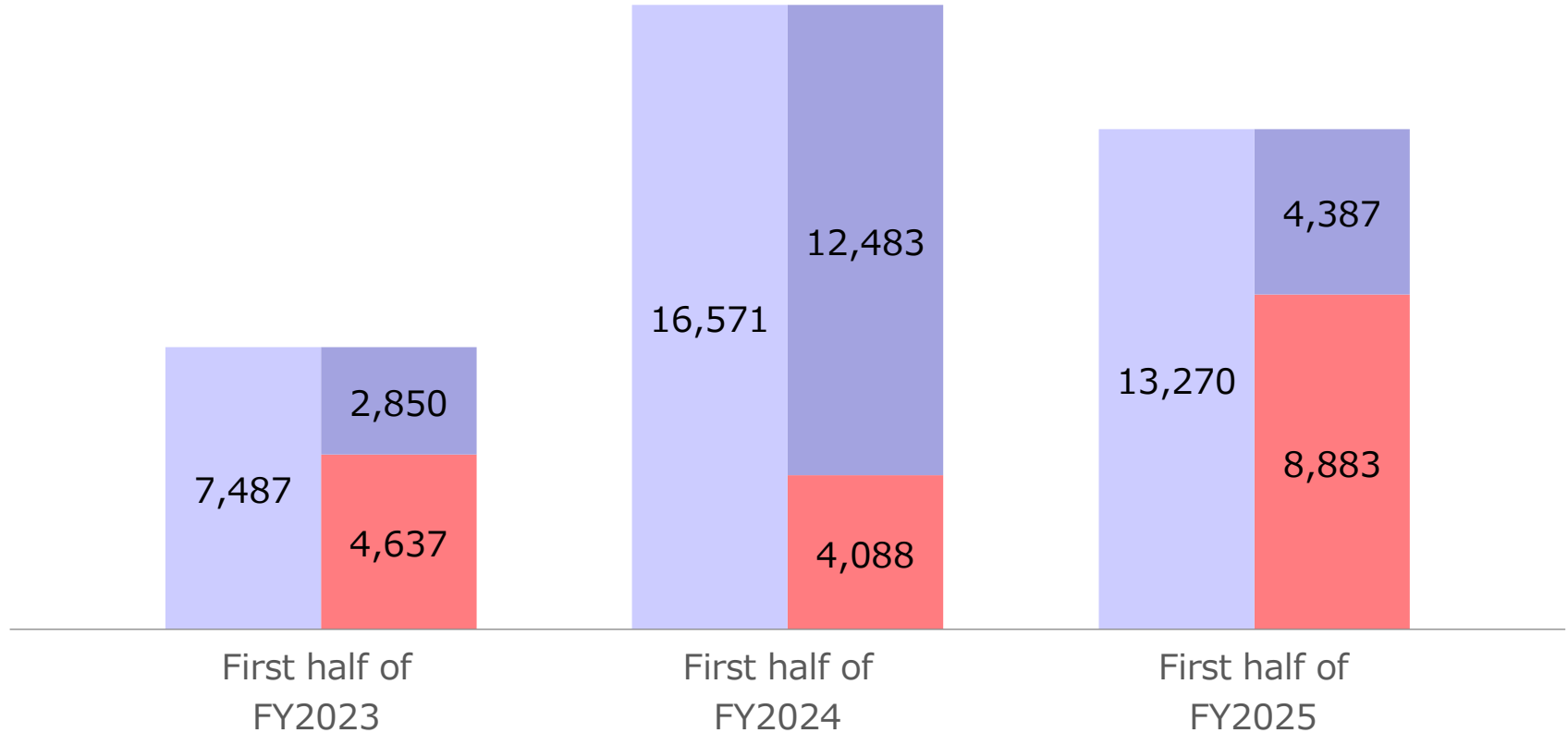
※Excluding depreciation of development assets

Free Cash Flows

⚙️ Change in Free Cash Flows

- Cash Flows from Operating Activities
- Free Cash Flows
- Cash Flows from Investing Activities

(million yen)



Exchange Rates First half of FY2025

(Average exchange rate)

Location	Currency	First half of FY2024 Results	First half of FY2025 Results	Change
U.S.	USD	¥ 141.00	¥ 152.63	8.2%
Mexico	MXN	¥ 8.13	¥ 8.47	4.2%
Thailand	THB	¥ 4.05	¥ 4.27	5.4%
Indonesia	IDR	¥ 0.0094	¥ 0.0096	2.1%
India	INR	¥ 1.71	¥ 1.83	7.0%
China	CNY	¥ 19.75	¥ 21.16	7.1%
Brazil	BRL	¥ 28.69	¥ 28.41	-1.0%
Taiwan	TWD	¥ 4.52	¥ 4.73	4.6%
Philippines	PHP	¥ 2.53	¥ 2.66	5.1%
Vietnam	VND	¥ 0.00594	¥ 0.00607	2.2%



Consolidated Forecast for FY2025

Consolidated Forecast Outline for FY2025

Revenue : Despite concerns about sluggish sales in China,
sales increased due to sales volume and exchange rate effects

Operating profit : Although R&D expenses will increase,
it will increase due to a decrease in product warranty expenses

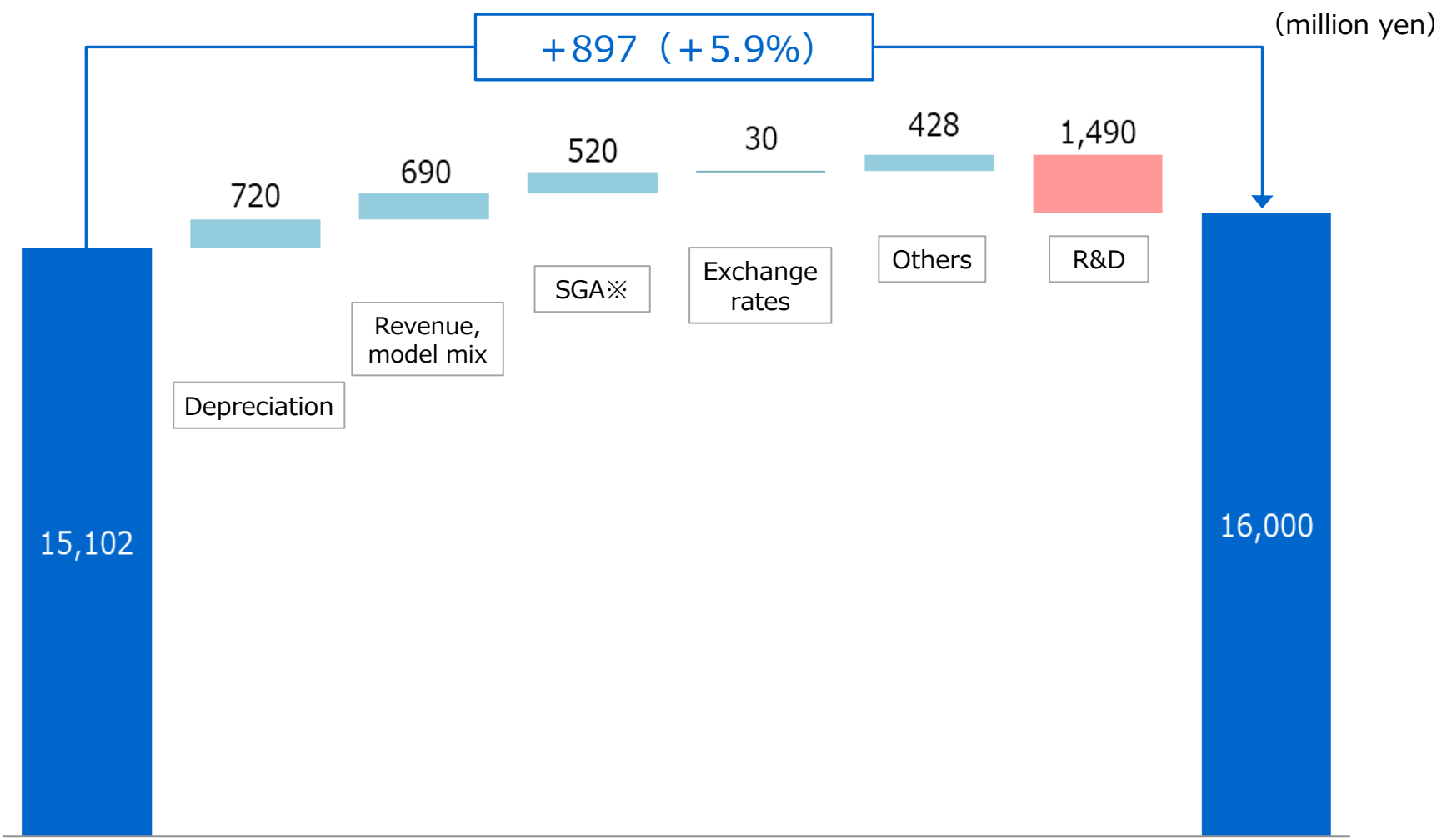
(million yen)

	FY24 Results	FY25 Forecast	Change (amount)	Change (%)
Revenue	240,283	243,000	2,716	1.1%
Operating profit	15,102	16,000	897	5.9%
Profit before income taxes	19,169	17,000	-2,169	-11.3%
Profit	12,456	12,500	43	0.4%
Profit attributable to owners of parent	12,231	12,400	168	1.4%
Basic earnings per share (Yen)	245.91	253.08	7.17	2.9%

Average exchange rate	FY24 Result	FY25 Forecast	Change
USD	¥ 144.63	¥ 146.32	¥ 1.69

Forecast of Fluctuations for Operating Profit (FY2025)

Positive factors : Revenue, model mix...Indonesia etc.
 Negative factors : Increasing R&D Expenditure (3.9% of sales revenue)



FY2024

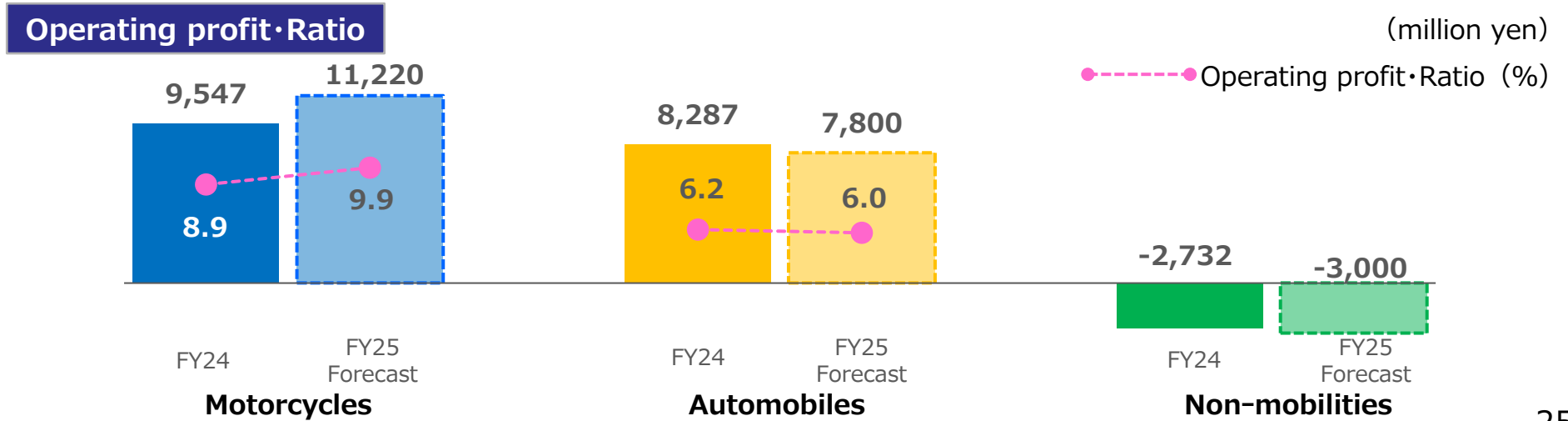
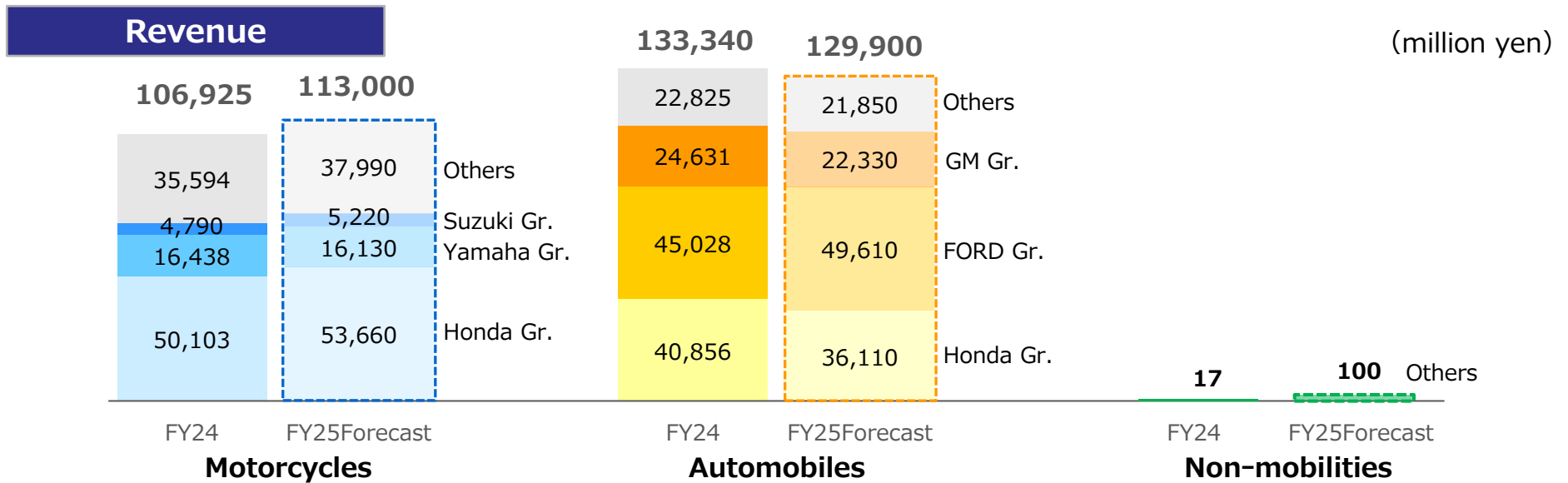
※ Product warranty (quality related) expenses etc.

FY2025Forecast

Revenue/Operating profit by Business Segment (FY2025 Forecast)



Motorcycle business : Clutch sales in India and Indonesia expected to increase
Automobile business : Expected to decrease due to production cuts in China, etc.

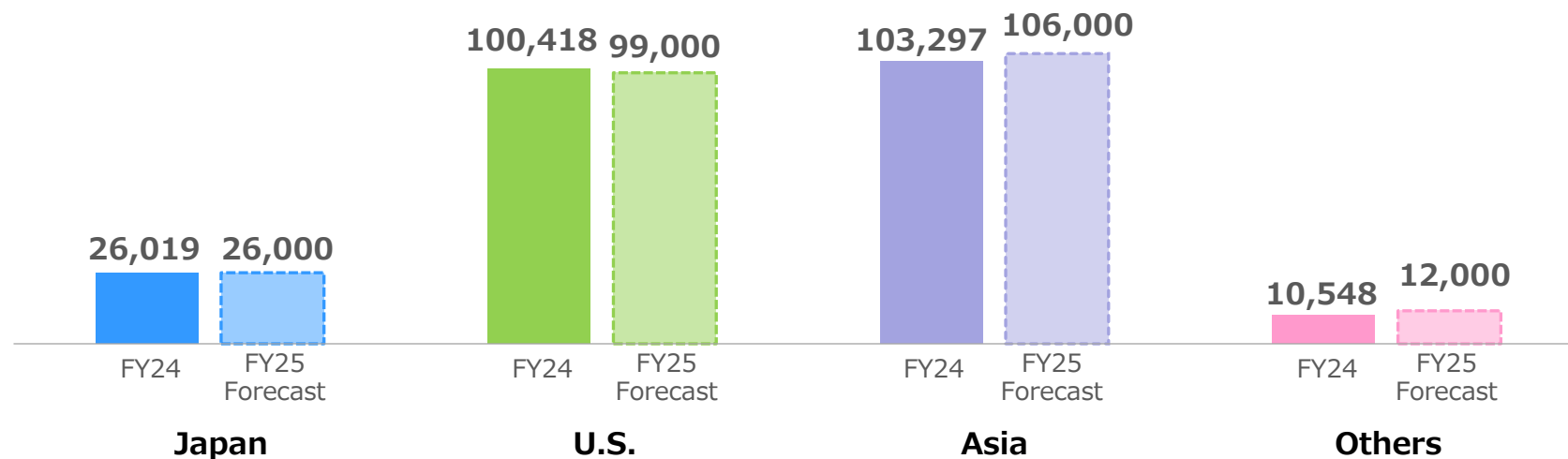


Revenue/Operating Profit by Geographical Segment (FY2025 Forecast)



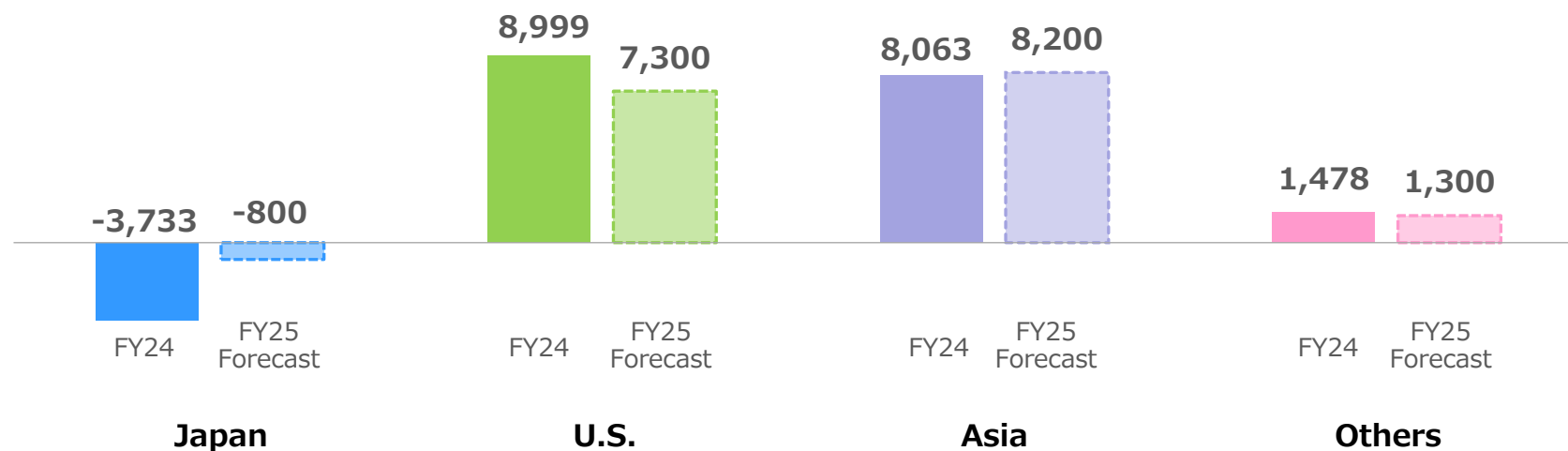
Revenue

(million yen)



Operating profit

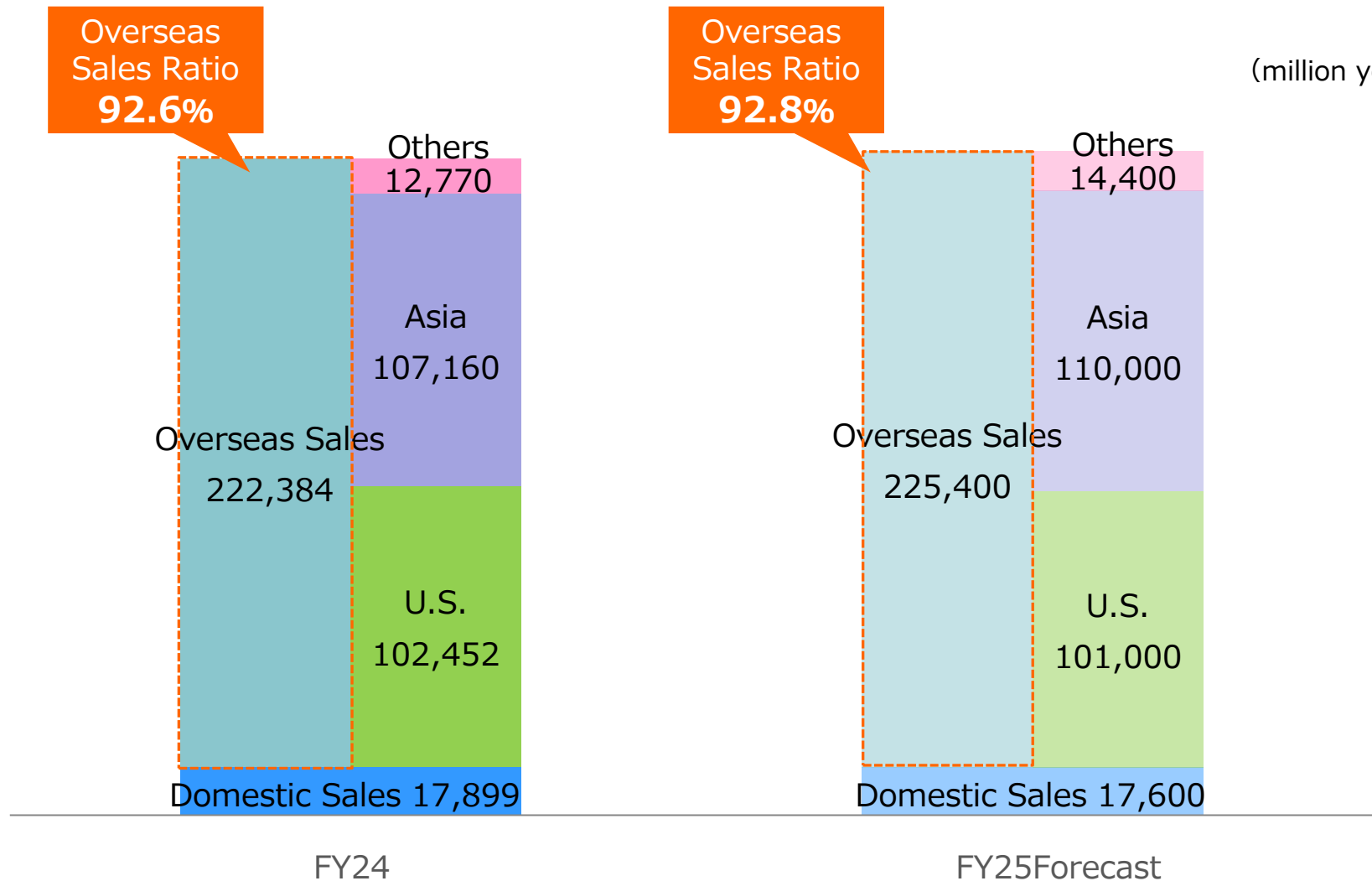
(million yen)



Overseas Sales Ratio (FY2025 Forecast)

Overseas Sales Ratio : Expected to increase of 0.2 points compared to the previous fiscal year

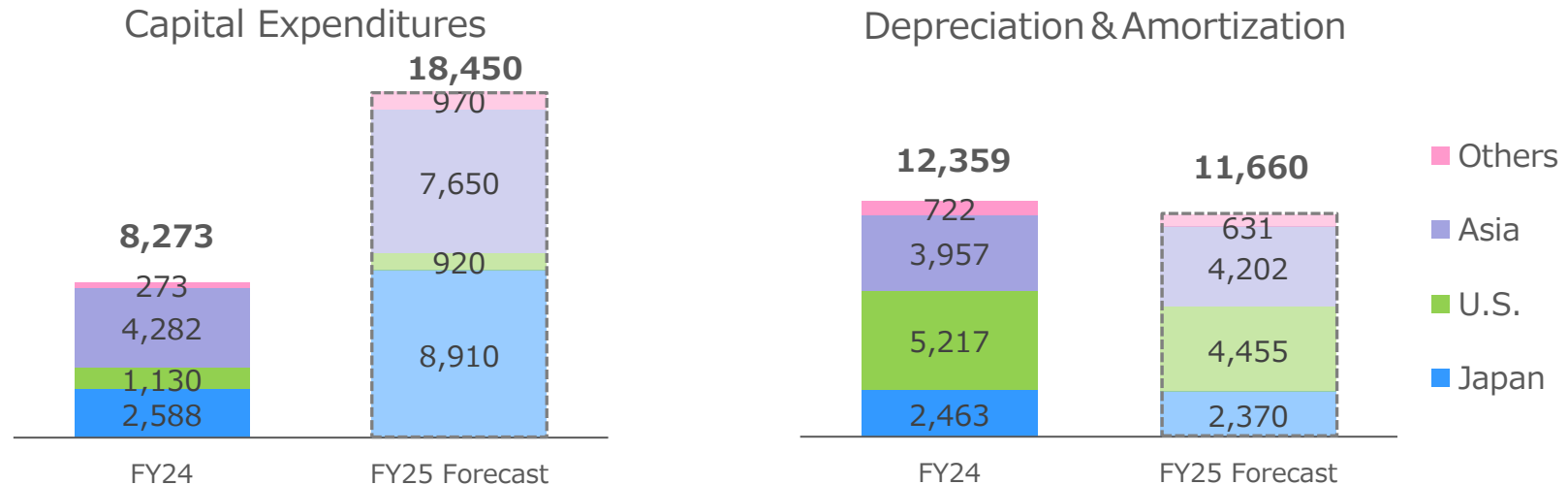
(million yen)



Capital Expenditures, Depreciation & Amortization and Research & development expense (FY2025 Forecast)

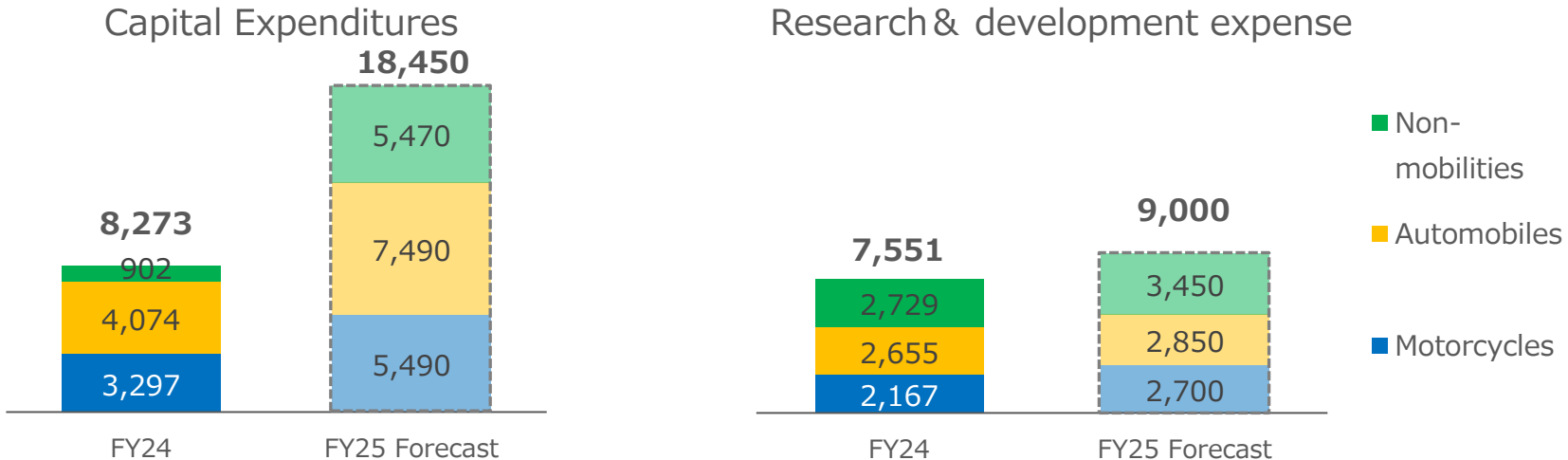
Geographical Segment

(million yen)



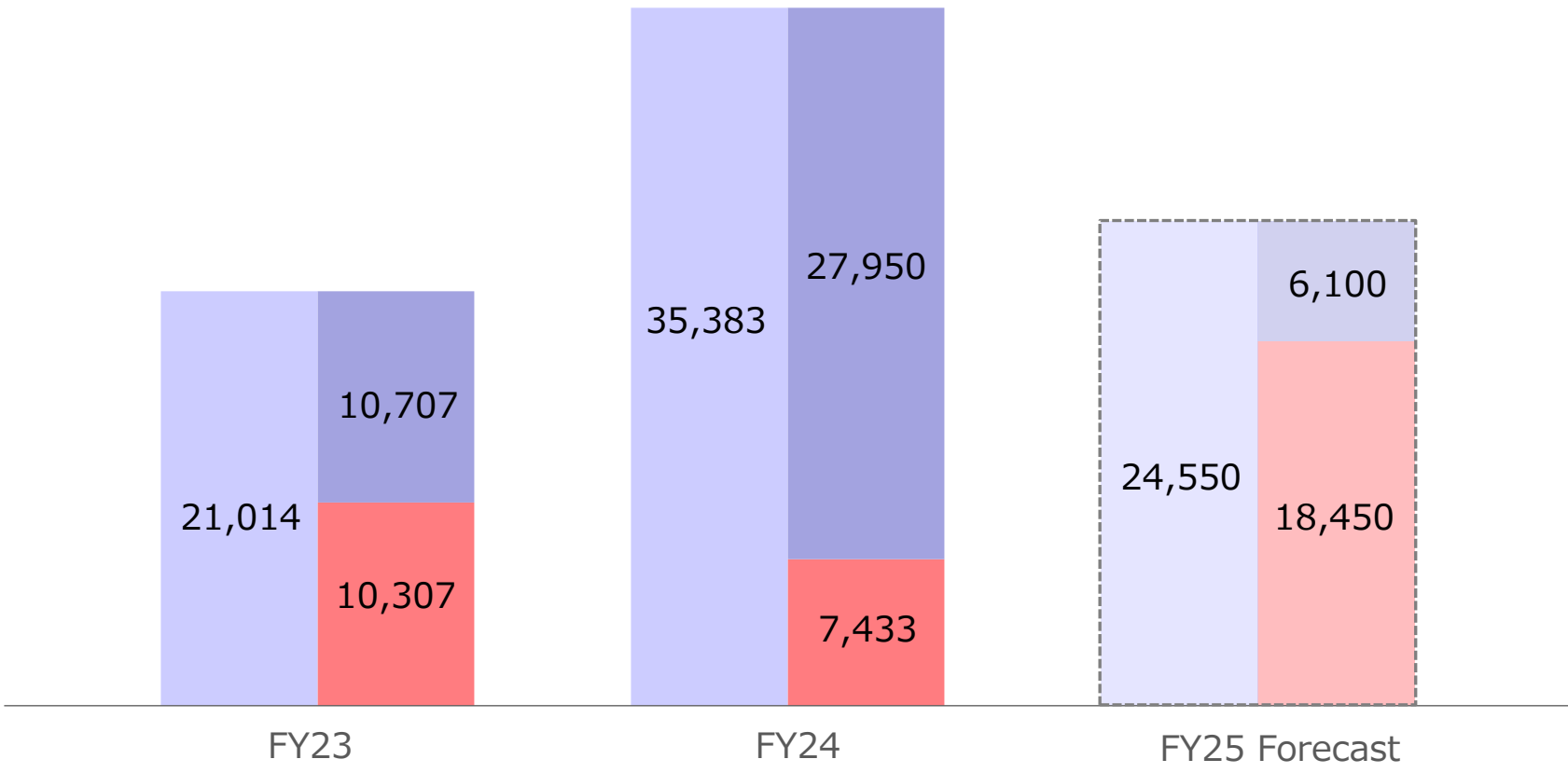
Business Segment

(million yen)



Change in Free Cash Flows

■ Cash Flows from Operating Activities (million yen)
■ Free Cash Flows
■ Cash Flows from Investing Activities



Exchange Rates (FY2025 Forecast)

(Average exchange rate)

Location	Currency	FY24	FY25Forecast	Change
U.S.	USD	¥ 144.63	¥ 146.32	1.2%
Mexico	MXN	¥ 8.36	¥ 8.25	-1.3%
Thailand	THB	¥ 4.11	¥ 4.10	-0.2%
Indonesia	IDR	¥ 0.0094	¥ 0.0093	-1.1%
India	INR	¥ 1.75	¥ 1.75	—
China	CNY	¥ 20.15	¥ 20.23	0.4%
Brazil	BRL	¥ 29.32	¥ 28.56	-2.6%
Taiwan	TWD	¥ 4.60	¥ 4.54	-1.3%
Philippines	PHP	¥ 2.59	¥ 2.58	-0.4%
Vietnam	VND	¥ 0.00600	¥ 0.00592	-1.3%



【appendix】

First half of FY2025 Sales by Customer Forecast of Sales by Customer (FY2025)

First half of FY2025 Sales by Customer

 **Total**

(million yen)

	First half of FY2024 Results		First half of FY2025 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	44,070	37.7%	46,969	36.9%	2,899	6.6%
YAMAHA Group	7,696	6.6%	8,792	6.9%	1,096	14.2%
SUZUKI Group	2,348	2.0%	2,585	2.0%	237	10.1%
KAWASAKI Group	1,020	0.9%	1,197	0.9%	177	17.4%
FORD	22,487	19.2%	26,043	20.5%	3,556	15.8%
G M	12,456	10.6%	11,900	9.3%	-556	-4.5%
ZF/STELLANTIS	5,072	4.3%	4,748	3.7%	-324	-6.4%
Kanematsu (Harley-Davidson ,etc.)	2,646	2.3%	2,892	2.3%	246	9.3%
Others	19,165	16.4%	22,197	17.4%	3,032	15.8%
Total	116,960	100.0%	127,323	100.0%	10,363	8.9%

First half of FY2025 Sales by Customer

Motorcycle business

(million yen)

	First half of FY2024 Results		First half of FY2025 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	25,251	48.4%	27,521	46.5%	2,270	9.0%
YAMAHA Group	7,696	14.7%	8,792	14.9%	1,096	14.2%
SUZUKI Group	2,348	4.5%	2,585	4.4%	237	10.1%
KAWASAKI Group	1,020	2.0%	1,197	2.0%	177	17.4%
Kanematsu (Harley-Davidson ,etc.)	2,566	4.9%	2,813	4.8%	247	9.6%
Hero	2,401	4.6%	2,728	4.6%	327	13.6%
Bajaj	1,423	2.7%	1,614	2.7%	191	13.4%
TVS	2,952	5.7%	3,625	6.1%	673	22.8%
Others	6,554	12.6%	8,282	14.0%	1,728	26.4%
Total	52,211	100.0%	59,157	100.0%	6,946	13.3%

First half of FY2025 Sales by Customer

Automobile business

(million yen)

	First half of FY2024 Results		First half of FY2025 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	18,819	29.1%	19,448	28.5%	629	3.3%
FORD	22,487	34.7%	26,043	38.2%	3,556	15.8%
GM	12,456	19.2%	11,900	17.5%	-556	-4.5%
ZF	2,464	3.8%	2,709	4.0%	245	9.9%
STELLANTIS	2,608	4.0%	2,039	3.0%	-569	-21.8%
Others	5,909	9.1%	5,999	8.8%	90	1.5%
Total	64,743	100.0%	68,138	100.0%	3,395	5.2%

Non-mobilities business

(million yen)

	First half of FY2024 Results		First half of FY2025 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
Others	7	100.0%	27	100.0%	20	300.0%
Total	7	100.0%	27	100.0%	20	300.0%

Forecast of Sales by Customer(FY2025)

 **Total**

(million yen)

	FY24 Results		FY25 Forecast		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	90,959	37.9%	89,770	36.9%	-1,189	-1.3%
YAMAHA Group	16,438	6.8%	16,130	6.6%	-308	-1.9%
SUZUKI Group	4,790	2.0%	5,220	2.1%	430	9.0%
KAWASAKI Group	2,437	1.0%	2,560	1.1%	123	5.0%
FORD	45,028	18.7%	49,610	20.4%	4,582	10.2%
G M	24,631	10.3%	22,330	9.2%	-2,301	-9.3%
ZF/STELLANTIS	9,968	4.1%	10,090	4.2%	122	1.2%
Kanematsu (Harley-Davidson ,etc.)	6,055	2.5%	6,120	2.5%	65	1.1%
Others	39,977	16.6%	41,170	16.9%	1,193	3.0%
Total	240,283	100.0%	243,000	100.0%	2,717	1.1%

Forecast of Sales by Customer(FY2025)

Motorcycle business

(million yen)

	FY24 Results		FY25 Forecast		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	50,103	46.9%	53,660	47.5%	3,557	7.1%
YAMAHA Group	16,438	15.4%	16,130	14.3%	-308	-1.9%
SUZUKI Group	4,790	4.5%	5,220	4.6%	430	9.0%
KAWASAKI Group	2,437	2.3%	2,560	2.3%	123	5.0%
Kanematsu (Harley-Davidson ,etc.)	5,907	5.5%	6,010	5.3%	103	1.7%
Hero	5,177	4.8%	5,630	5.0%	453	8.8%
Bajaj	3,081	2.9%	3,100	2.7%	19	0.6%
TVS	6,125	5.7%	6,280	5.6%	155	2.5%
Others	12,868	12.0%	14,410	12.8%	1,542	12.0%
Total	106,925	100.0%	113,000	100.0%	6,074	5.7%

Forecast of Sales by Customer(FY2025)

Automobile business

(million yen)

	FY24 Results		FY25 Forecast		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	40,856	30.6%	36,110	27.8%	-4,746	-11.6%
FORD	45,028	33.8%	49,610	38.2%	4,582	10.2%
GM	24,631	18.5%	22,330	17.2%	-2,301	-9.3%
ZF	5,211	3.9%	5,510	4.2%	299	5.7%
STELLANTIS	4,757	3.6%	4,580	3.5%	-177	-3.7%
Others	12,857	9.6%	11,760	9.1%	-1,097	-8.5%
Total	133,340	100.0%	129,900	100.0%	-3,440	-2.6%

Forecast of Sales by Customer(FY2025)



Non-mobilities business

(million yen)

	FY24 Results		FY25 Forecast		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
Others	17	100.0%	100	100.0%	83	488.2%
Total	17	100.0%	100	100.0%	83	488.2%

F.C.C. CO., LTD.

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This slide contains forward-looking statements about F.C.C. performance, which are based on management's assumptions and beliefs, taking into account information currently available. Please note that our actual incomes are subject to management changes etc. They might differ from our plans or forecasts. In addition, the purpose of this material is to provide our business description information, not to encourage a purchase of shares.