Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

To whom it may concern:

November 5, 2025


| | |
|---|---|
| Company name: | T.RAD Co., Ltd. |
| Representative: | Tomio Miyazaki, President & CEO & COO |
| Code No.: | 7236<br>Tokyo Stock Exchange, Prime Market |
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| Tel: | +81-3-3373-1101 |


# Notice of Material of Financial Results Briefing

T.RAD Co., Ltd. hereby discloses a material of Financial Results Briefing held on November 5, 2025, in the interest of a fair disclusure to all investors.

For details, please refer to the following pages.

# Results Briefing for 2nd Quarter of FY3/2026
## (November 5, 2025)

**T.RAD Co.,Ltd.**

Results briefing

November, 2025

AGENDA

# 01 Supplementary Explanation for Q2 FY3/2026

# Consolidated Financial Results for Q2 FY3/2026

| | Q2 FY3/2025 Actual | | Q2 FY3/2026 Actual | | | | FY3/2026 Full-year Forecast | |
|---|---|---|---|---|---|---|---|---|
| | Previous Forecast (Millions of Yen) | Net Sales Ratio (%) | Amount (Millions of Yen) | Net Sales Ratio (%) | Year-on-Year Increase (Millions of yen) | Year-on-Year Rate of Change (%) | Amount (Millions of Yen) | Net Sales Ratio (%) |
| Net Sales | 79,044 | 100 | 77,511 | 100 | -1,532 | -1.9 | 154,000 | 100 |
| Operating Income | 2,561 | 3.2 | 5,393 | 7.0 | 2,831 | 110.6 | 8,800 | 5.7 |
| Ordinary Income | 2,881 | 3.6 | 5,674 | 7.3 | 2,793 | 97.0 | 9,800 | 6.4 |
| Profit Attributable to Owners of the Parent | 722 | 0.9 | 4,094 | 5.3 | 3,372 | 466.3 | 6,400 | 4.2 |

**[Q2 FY3/2026 Results]**

- **Domestic segment sales increased year-on-year.**
- Overseas sales decreased year on year, reflecting lower sales on a local currency basis in the U.S. and China, as well as the impact of foreign exchange fluctuations.
- As a result, **consolidated net sales declined by 1.9% year-on-year.**
- **Operating income rose 110.6% year-on-year,** mainly due to higher domestic sales and improved profitability in the U.S. business. **Profit attributable to owners of parent increased 466.3% year-on-year,** primarily due to the absence of an extraordinary loss recorded in the previous fiscal year.

| | FY2024 June | FY2025 June | FY2025 September |
|---|---|---|---|
| USD/JPY | 161.14 | 144.82 | 148.89 |
| THB/JPY | 4.36 | 4.43 | 4.62 |
| CNY/JPY | 22.05 | 20.2 | 20.88 |
| CZK/JPY | 6.88 | 6.86 | 7.18 |
| IDR/JPY | 0.0098 | 0.0089 | 0.0089 |
| VND/JPY | 0.0063 | 0.0056 | 0.0056 |
| EUR/JPY | 172.44 | 169.64 | 174.51 |

# Revision of FY3/2026 Full-year Forecast

| | Consolidated | | | | Non-Consolidated | | | |
|---|---|---|---|---|---|---|---|---|
| | Previous Forecast (Millions of Yen) | Revised Forecast (Millions of Yen) | Difference (Millions of Yen) | Rate of Change (%) | Previous Forecast (Millions of Yen) | Revised Forecast (Millions of Yen) | Difference (Millions of Yen) | Rate of Change (%) |
| Net Sales | **151,100** | **154,000** | 3,000 | 2.0% | **83,000** | **83,000** | - | - |
| Operating Income | **6,600** | **8,800** | 2,200 | 33.3% | **3,000** | **3,300** | 300 | 10.0% |
| Ordinary Income | **7,300** | **9,800** | 2,500 | 34.2% | **8,900** | **9,200** | 300 | 3.4% |
| Profit Attributable to Owners of the Parent | **4,000** | **6,400** | 2,400 | 60.0% | **6,400** | **7,600** | 1,200 | 18.8% |

## ■ Reason

- In preparing this forecast, the Company reviewed and updated the sales plans of its business partners, including those of overseas divisions. Overseas consolidated sales have been revised upward, reflecting the easing of previously conservative assumptions.
- In addition, each profit item has been revised upward, supported by an expected increase in marginal profits from higher sales, progress in negotiations to pass on higher custom duties to customers, and continued improvement in profit margins both domestically and overseas.

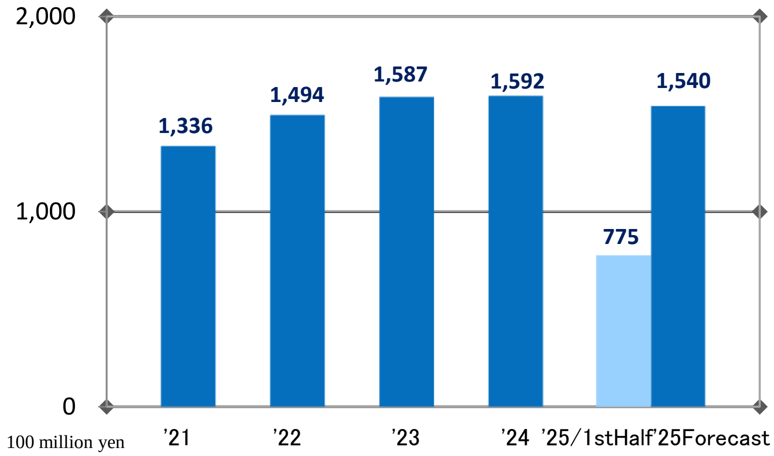
# Segment Overview for Q2 FY3/2026

| | Net Sales (Millions of Yen) | | | Operating Income (Millions of Yen) | | |
|---|---|---|---|---|---|---|
| | Q2 FY3/2025 Results | Q2 FY3/2026 Results | Year-on-Year | Q2 FY3/2025 Results | Q2 FY3/2025 Results | Year-on-Year |
| | Amount | Amount | Change | Amount | Amount | Change |
| Japan | 34,029 | 37,086 | 3,056 | 689 | 2,165 | 1,476 |
| United States | 23,973 | 20,914 | -3,058 | -550 | 354 | 905 |
| Europe | 2,630 | 2,483 | -147 | -71 | -17 | 53 |
| Asia | 10,344 | 10,925 | 580 | 1,937 | 2,208 | 271 |
| China | 7,914 | 5,948 | -1,966 | 305 | 580 | 275 |
| Others (including eliminations) | 150 | 153 | 2 | 252 | 101 | -150 |
| Total | 79,044 | 77,511 | -1,532 | 2,561 | 5,393 | 2,831 |

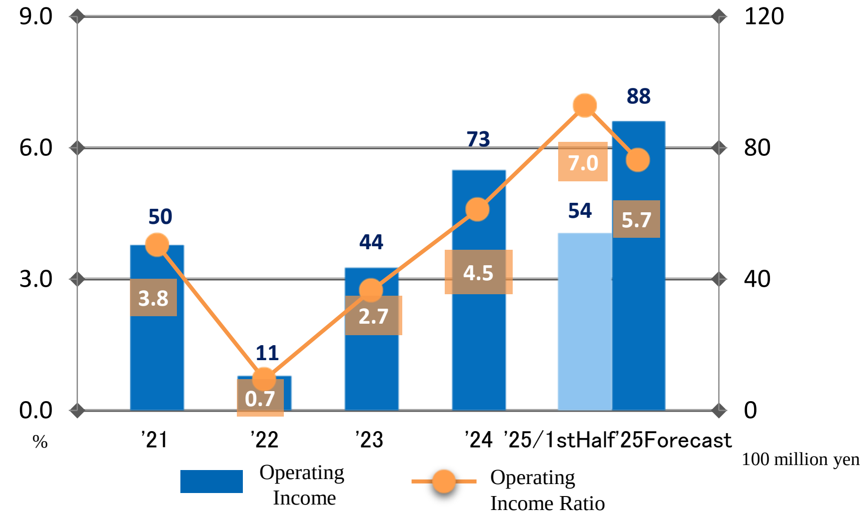
| | |
|---|---|
| **Japan** | ● Sales increased in both the automotive and construction equipment segments. Overall sales in the geographic segment rose by approximately 3.1 billion yen year-on-year. In addition, profit increased by about 1.5 billion yen, reflecting the effects of stable production operations, cost reduction activities, and a decrease in one-time research expenses recorded in the previous fiscal year. |
| **United States** | ● Sales in both the automotive and construction machinery segments decreased by approximately 3.1 billion yen year-on-year. Profit increased by approximately 0.9 billion yen year-on-year, reflecting further progress in production transfer projects to Japan and ASEAN, cost reductions in the U.S., and improvements in productivity. |
| **Europe** | ● Sales of products for commercial vehicles in Europe were sluggish, resulting in a year-on-year decline of approximately 0.1 billion yen. On the other hand, operating profit increased by about 0.5 billion yen year-on-year. |
| **Asia** | ● Automotive sales were strong on a local currency basis, resulting in an increase of approximately 0.6 billion yen on a yen basis compared to the previous fiscal year.<br>● Operating income increased by approximately 0.3 billion yen year-on-year, reflecting higher sales and stable production activities. |
| **China** | ● Sales to automotive customers remained sluggish, while sales to commercial vehicles increased. As a result, overall sales decreased by about 2 billion yen year-on-year. Operating income increased by about 0.3 billion yen year-on-year, reflecting cost improvement initiatives and a decrease in provisions recorded in the previous fiscal year. |

# Financial Results (Consolidated)

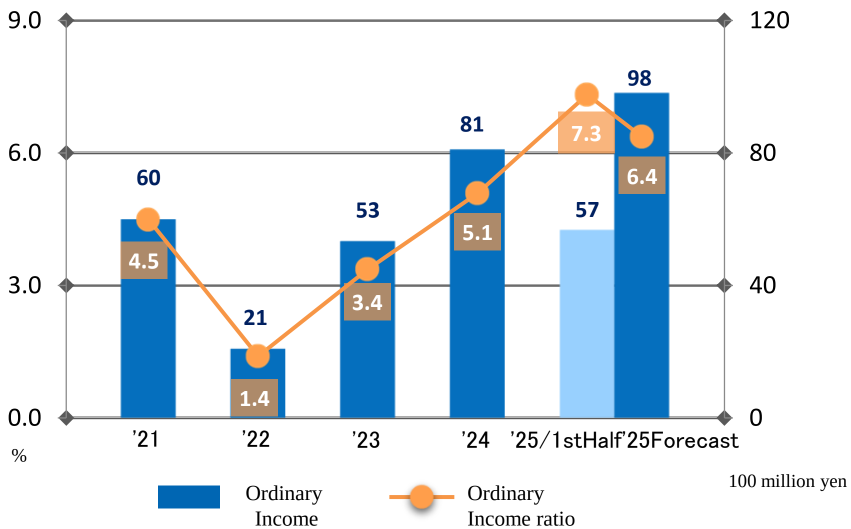
## ■Net sales



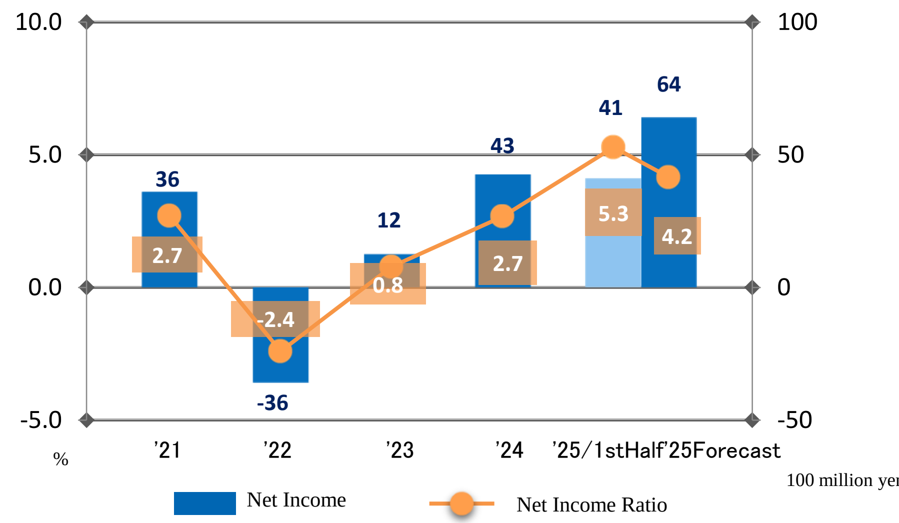

## ■Operating Income



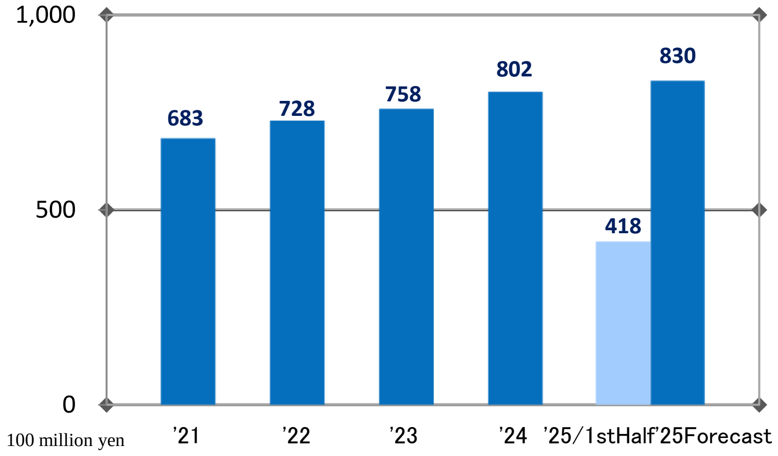

## ■Ordinary Income



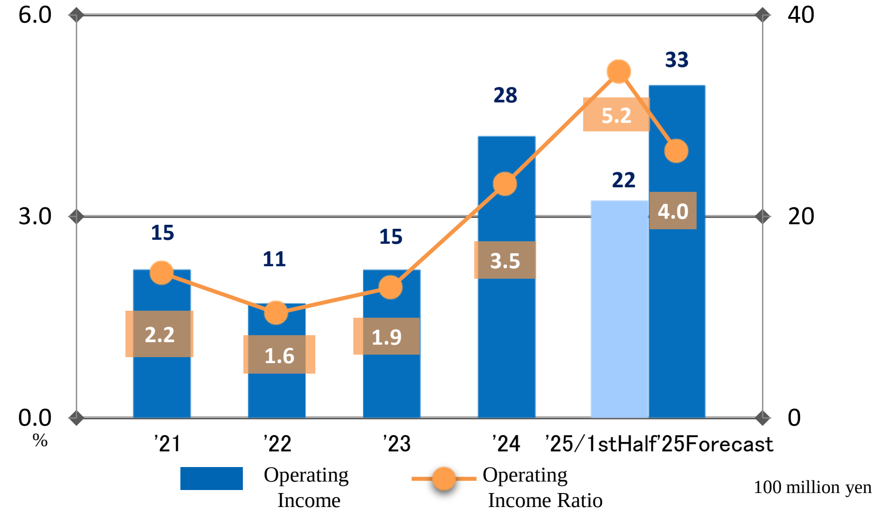

## ■Net Income



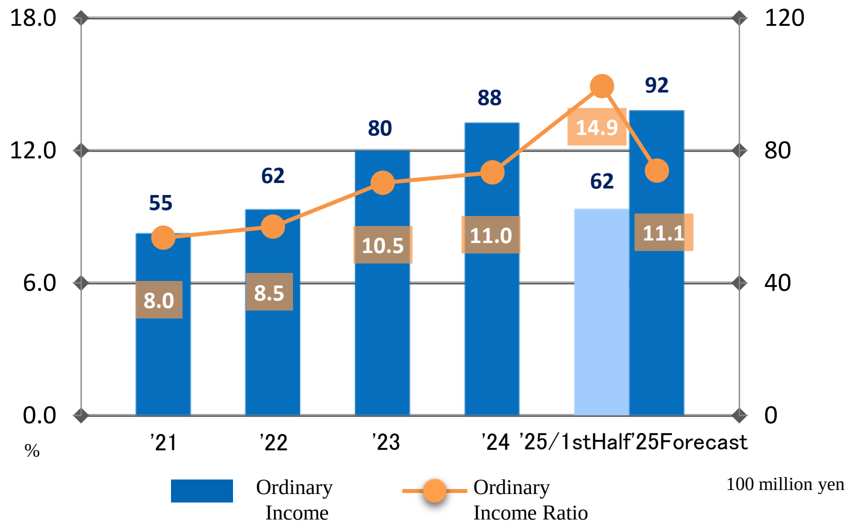
## ■Net sales



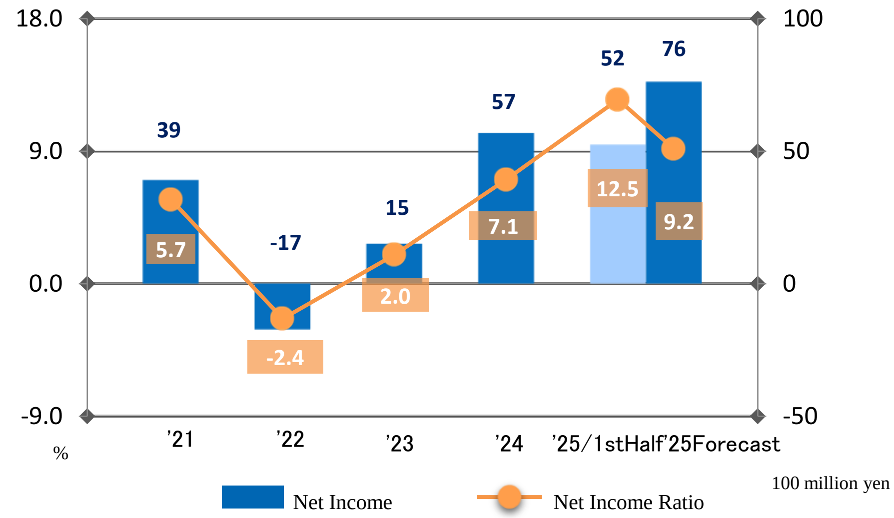

## ■Operating Income




## ■Ordinary Income



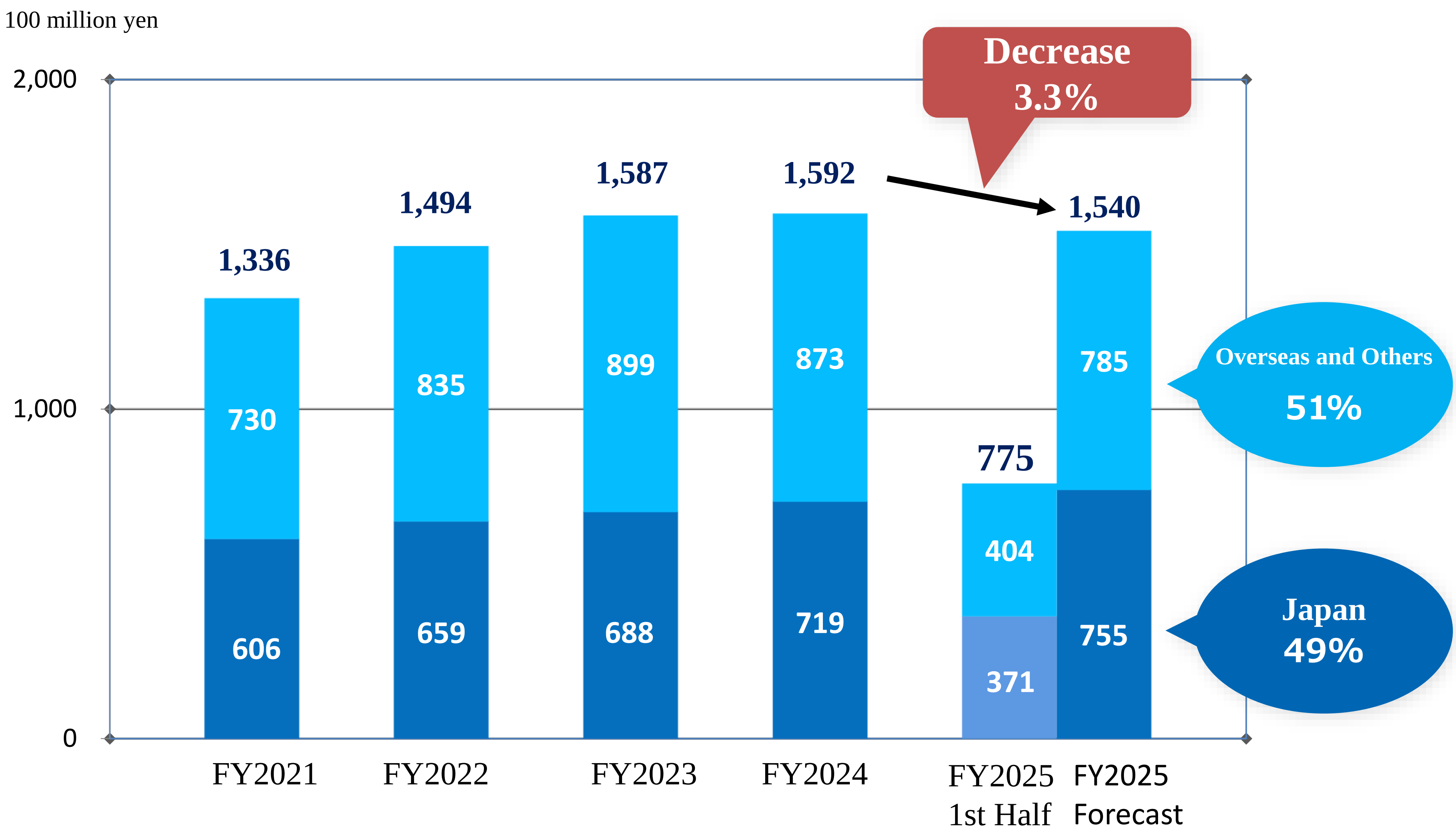

## ■Net Income



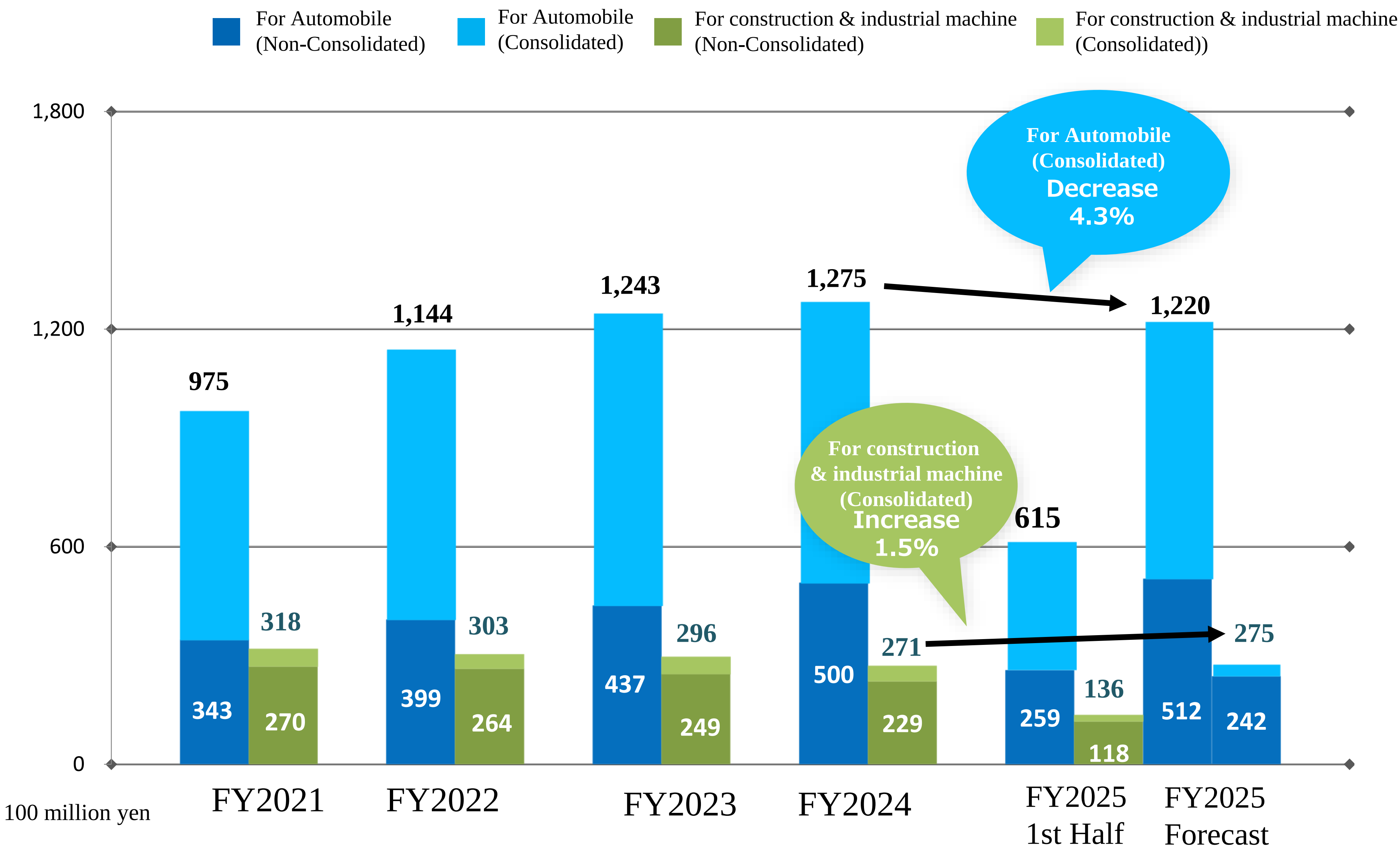
(100 million yen)

| | | FY2024 | | | | FY2025 | | | | Increase, Decrease (-) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1st Half Results | | FY2024 Results | | 1st Half Results | | FY2025 Forecast | | ’25/1st Half-’24/1st Half | | ’25Forecast-’24Results | |
| | | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % |
| Net sales | Consolidated | 790 | 100.0 | 1,592 | 100.0 | 775 | 100.0 | 1,540 | 100.0 | -15 | -1.9 | -52 | -3.3 |
| | Non-Consolidated | 380 | 100.0 | 802 | 100.0 | 418 | 100.0 | 830 | 100.0 | 38 | 9.9 | 28 | 3.5 |
| Operating Income | Consolidated | 26 | 3.2 | 73 | 4.6 | 54 | 7.0 | 88 | 5.7 | 28 | 110.6 | 15 | 20.3 |
| | Non-Consolidated | 8 | 2.1 | 28 | 3.5 | 22 | 5.2 | 33 | 4.0 | 14 | 173.0 | 5 | 18.1 |
| Ordinary Income | Consolidated | 29 | 3.6 | 81 | 5.1 | 57 | 7.3 | 98 | 6.4 | 28 | 97.0 | 17 | 21.0 |
| | Non-Consolidated | 37 | 9.7 | 88 | 11.0 | 62 | 14.9 | 92 | 11.1 | 25 | 69.0 | 4 | 4.2 |
| Profit attributable to owners of parent | Consolidated | 7 | 0.9 | 43 | 2.7 | 41 | 5.3 | 64 | 4.2 | 34 | 466.3 | 21 | 50.6 |
| | Non-Consolidated | 17 | 4.5 | 57 | 7.1 | 52 | 12.5 | 76 | 9.2 | 35 | 208.3 | 19 | 33.9 |

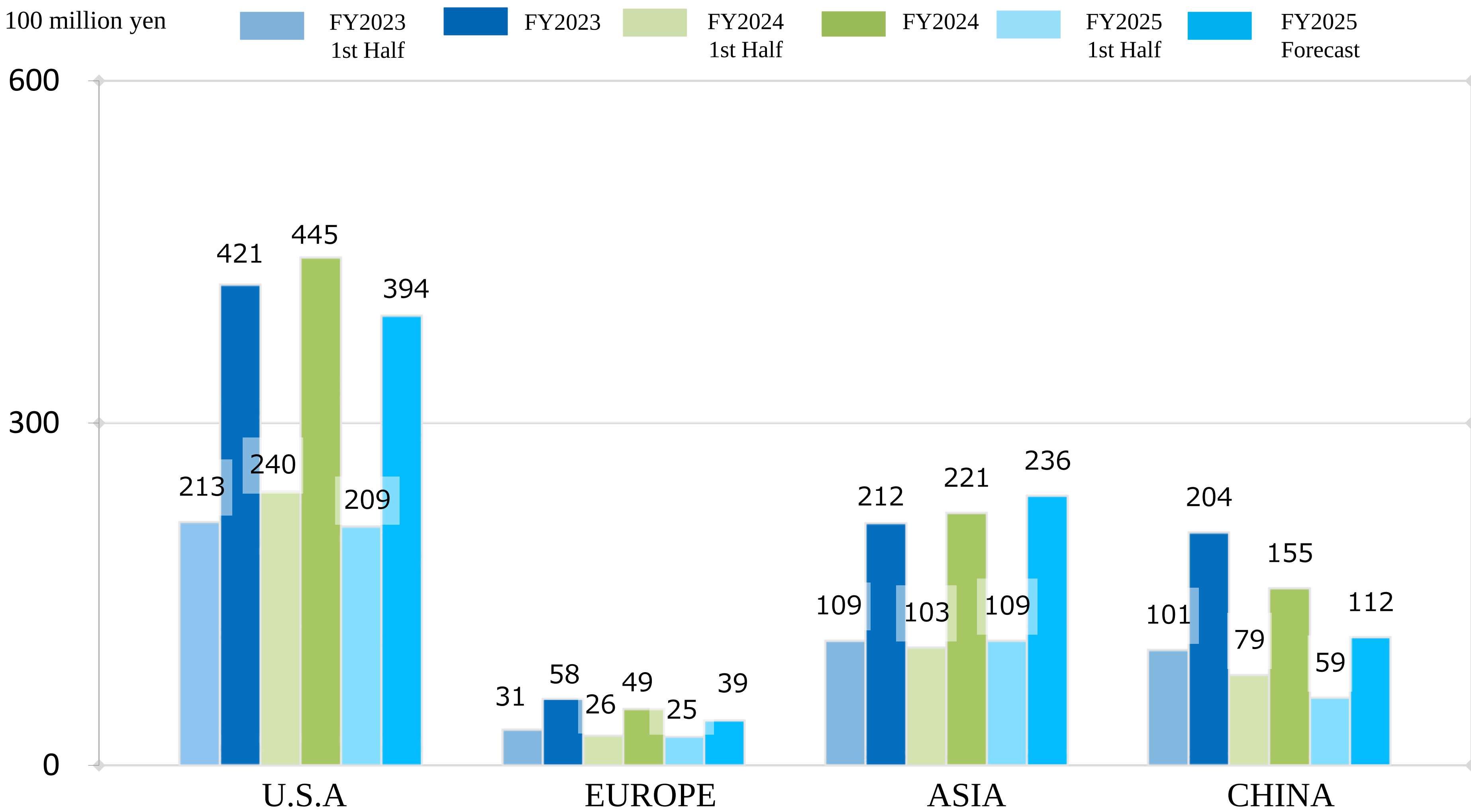
# Net Sales(Consolidated)



# Sales by Application



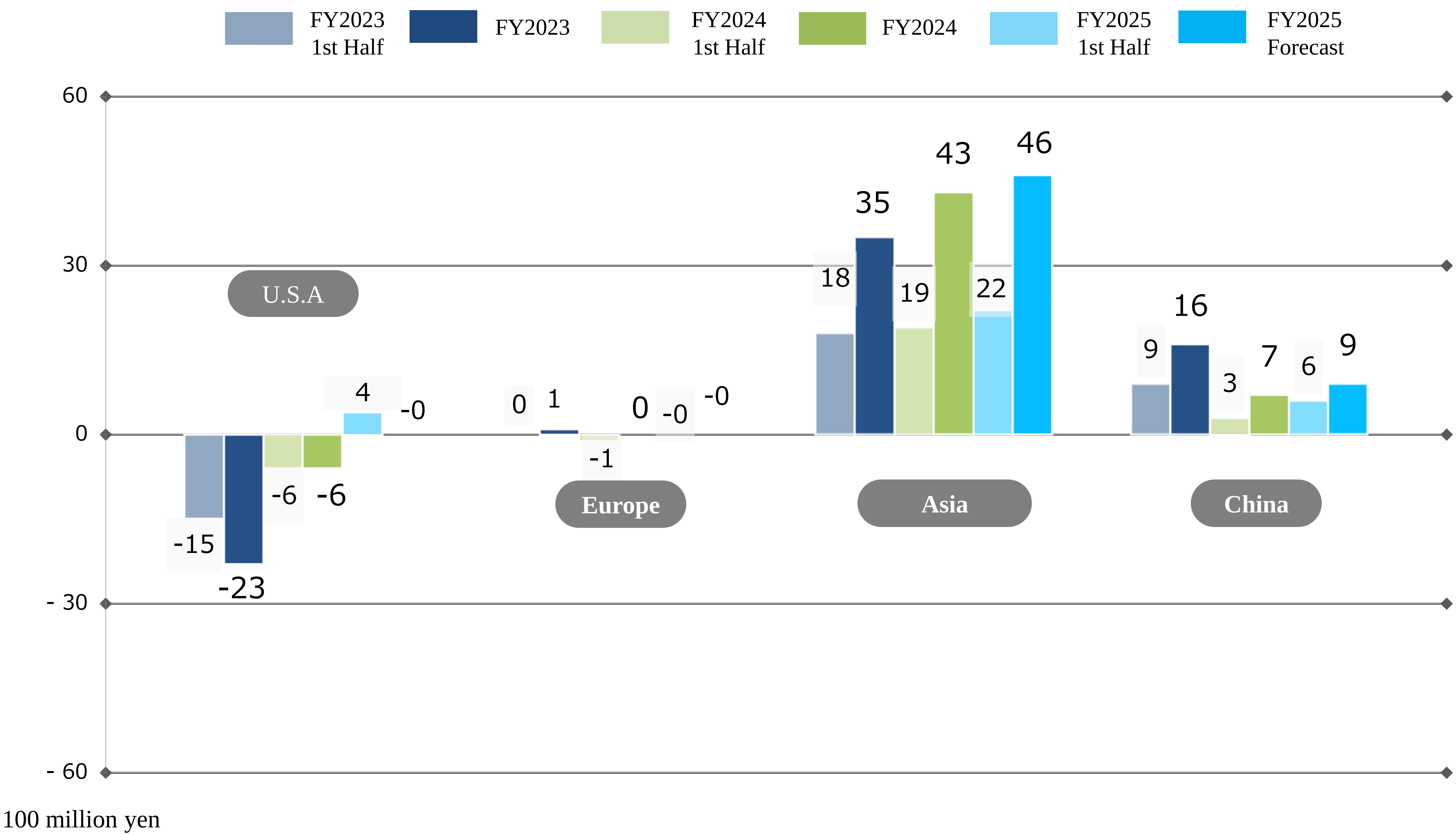
# Sales by Region




Exchange Rate(June. 2024⇒June. 2025) USD: 161.14⇒144.82, THB: 4.36⇒4.43, CNY: 22.05⇒20.2, CZK: 6.88⇒6.86, IDR: 0.0098⇒0.0089, VND: 0.0063⇒0.0056, EUR: 172.44⇒169.64

Exchange Rate(Dec. 2024⇒Dec. 2025) USD: 158.17⇒147.99, THB: 4.65⇒4.63, CNY: 21.67⇒20.77, CZK: 6.55⇒7.13, IDR: 0.0097⇒0.009, VND: 0.0062⇒0.0056, EUR: 164.86⇒173.54

# Operating Income by Region




Exchange Rate(June. 2024⇒June. 2025) USD: 161.14⇒144.82, THB: 4.36⇒4.43, CNY: 22.05⇒20.2, CZK: 6.88⇒6.86, IDR: 0.0098⇒0.0089, VND: 0.0063⇒0.0056, EUR: 172.44⇒169.64

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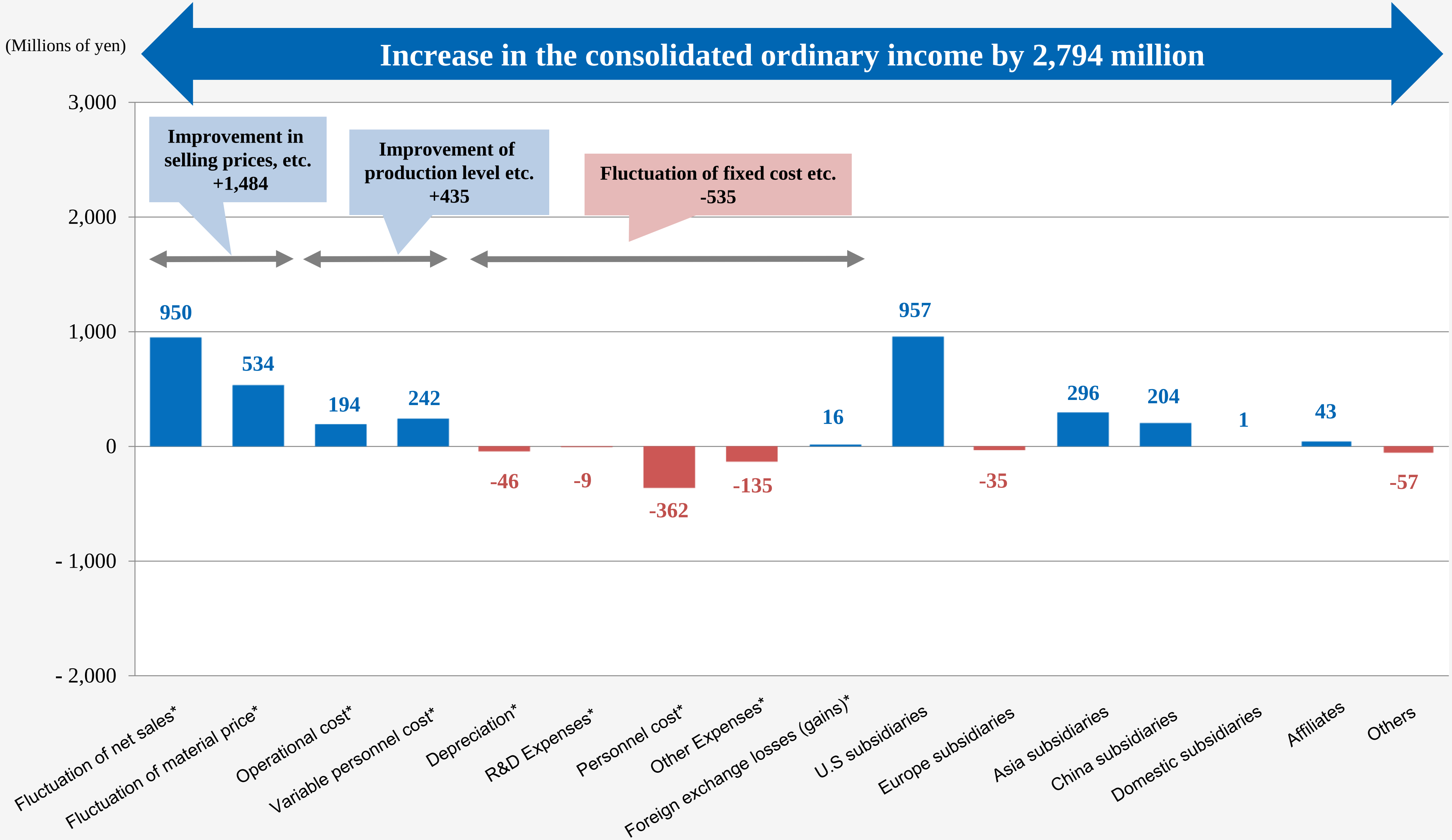
# Performance Trends by Region

100 million yen

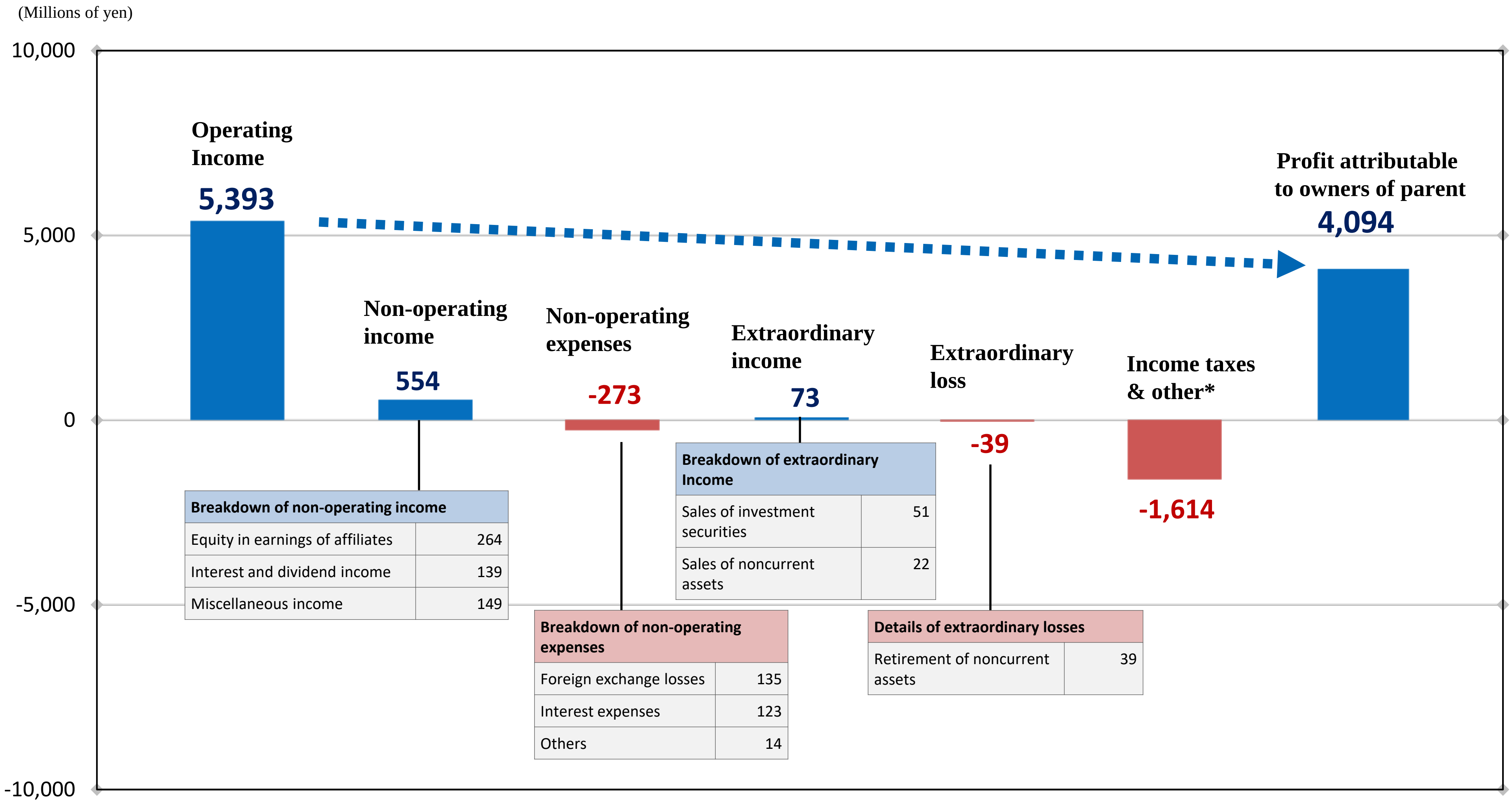
| | | 2023 | | | | | 2024 | | | | | 2025 Forecast | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Item | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 1st Harf | 2nd Harf | Total |
| Japan | Sales | 168 | 178 | 180 | 162 | 688 | 168 | 173 | 190 | 189 | 719 | 185 | 185 | 371 | 384 | 755 |
| | Operating Income | 3 | 6 | 2 | 3 | 15 | 6 | 1 | 2 | 18 | 27 | 12 | 10 | 22 | 12 | 33 |
| | Operating income Ratio (%) | 1.6 | 3.7 | 1.3 | 2.1 | 2.2 | 3.8 | 0.3 | 1.0 | 9.6 | 3.7 | 6.3 | 5.3 | 5.8 | 3.1 | 4.4 |
| United States | Sales | 97 | 116 | 119 | 89 | 421 | 112 | 127 | 70 | 135 | 445 | 108 | 101 | 209 | 185 | 394 |
| | Operating Income | -7 | -8 | -7 | -1 | -23 | -3 | -3 | -3 | 3 | -6 | 3 | 0 | 4 | -4 | -0 |
| | Operating income Ratio (%) | -7.0 | -7.3 | -5.8 | -1.4 | -5.6 | -2.6 | -2.0 | -4.5 | 2.1 | -1.3 | 3.0 | 0.3 | 1.7 | -2.1 | -0.1 |
| Europe | Sales | 14 | 17 | 13 | 13 | 58 | 13 | 13 | 8 | 15 | 49 | 10 | 14 | 25 | 14 | 39 |
| | Operating Income | 1 | -0 | 0 | 0 | 1 | -0 | -1 | -1 | 2 | 0 | -0 | -0 | -0 | -0 | -0 |
| | Operating income Ratio (%) | 5.1 | -2.5 | 1.7 | 3.4 | 1.7 | -1.1 | -4.3 | -11.0 | 13.9 | 0.9 | -0.1 | -1.1 | -0.7 | -1.0 | -0.8 |
| Asia | Sales | 56 | 53 | 54 | 49 | 212 | 51 | 52 | 51 | 67 | 221 | 57 | 52 | 109 | 127 | 236 |
| | Operating Income | 10 | 8 | 9 | 8 | 35 | 9 | 10 | 11 | 12 | 43 | 12 | 10 | 22 | 23 | 46 |
| | Operating income Ratio (%) | 17.0 | 15.1 | 16.5 | 16.8 | 16.3 | 18.1 | 19.4 | 21.9 | 18.1 | 19.3 | 20.6 | 19.8 | 20.2 | 18.5 | 19.3 |
| China | Sales | 50 | 52 | 52 | 51 | 204 | 38 | 41 | 29 | 47 | 155 | 29 | 31 | 59 | 53 | 112 |
| | Operating Income | 4 | 4 | 4 | 3 | 16 | 4 | -1 | -1 | 4 | 7 | 2 | 3 | 6 | 4 | 9 |
| | Operating income Ratio (%) | 8.7 | 8.5 | 8.1 | 5.2 | 7.6 | 9.6 | -1.5 | -1.9 | 8.5 | 4.2 | 8.6 | 10.9 | 9.8 | 6.9 | 8.4 |
| Others | Sales | 1 | 1 | 1 | 1 | 3 | 1 | 1 | 0 | 1 | 3 | 1 | 1 | 2 | 2 | 3 |
| | Operating Income | 0 | 1 | 2 | -2 | 1 | -1 | 3 | -3 | 3 | 2 | 1 | 0 | 1 | -1 | 0 |
| | Operating income Ratio (%) | 33.8 | 64.6 | 202.5 | -175.0 | 23.1 | -102.7 | 431.6 | — | 229.1 | 81.2 | 74.4 | 56.0 | 65.4 | -44.6 | 6.4 |
| Total | Sales | 386 | 417 | 419 | 365 | 1,587 | 383 | 407 | 348 | 454 | 1,592 | 391 | 384 | 775 | 765 | 1,540 |
| | Operating Income | 11 | 11 | 10 | 12 | 43 | 15 | 10 | 5 | 42 | 74 | 30 | 24 | 54 | 34 | 88 |
| | Operating income Ratio (%) | 2.8 | 2.5 | 2.5 | 3.3 | 2.7 | 4.0 | 2.5 | 1.6 | 9.3 | 4.6 | 7.6 | 6.3 | 7.0 | 4.5 | 5.7 |

# Analysis of Increase Factor of the Consolidated Ordinary Income (FY2025 1st Half vs. FY2024 1st Half)




(*Fluctuation factor of non-consolidated)

# Non-operating Income/Expenses and Extraordinary Income / Loss for 1st Half of FY2025(Consolidated)




| Breakdown of non-operating income | |
|---|---|
| Equity in earnings of affiliates | 264 |
| Interest and dividend income | 139 |
| Miscellaneous income | 149 |

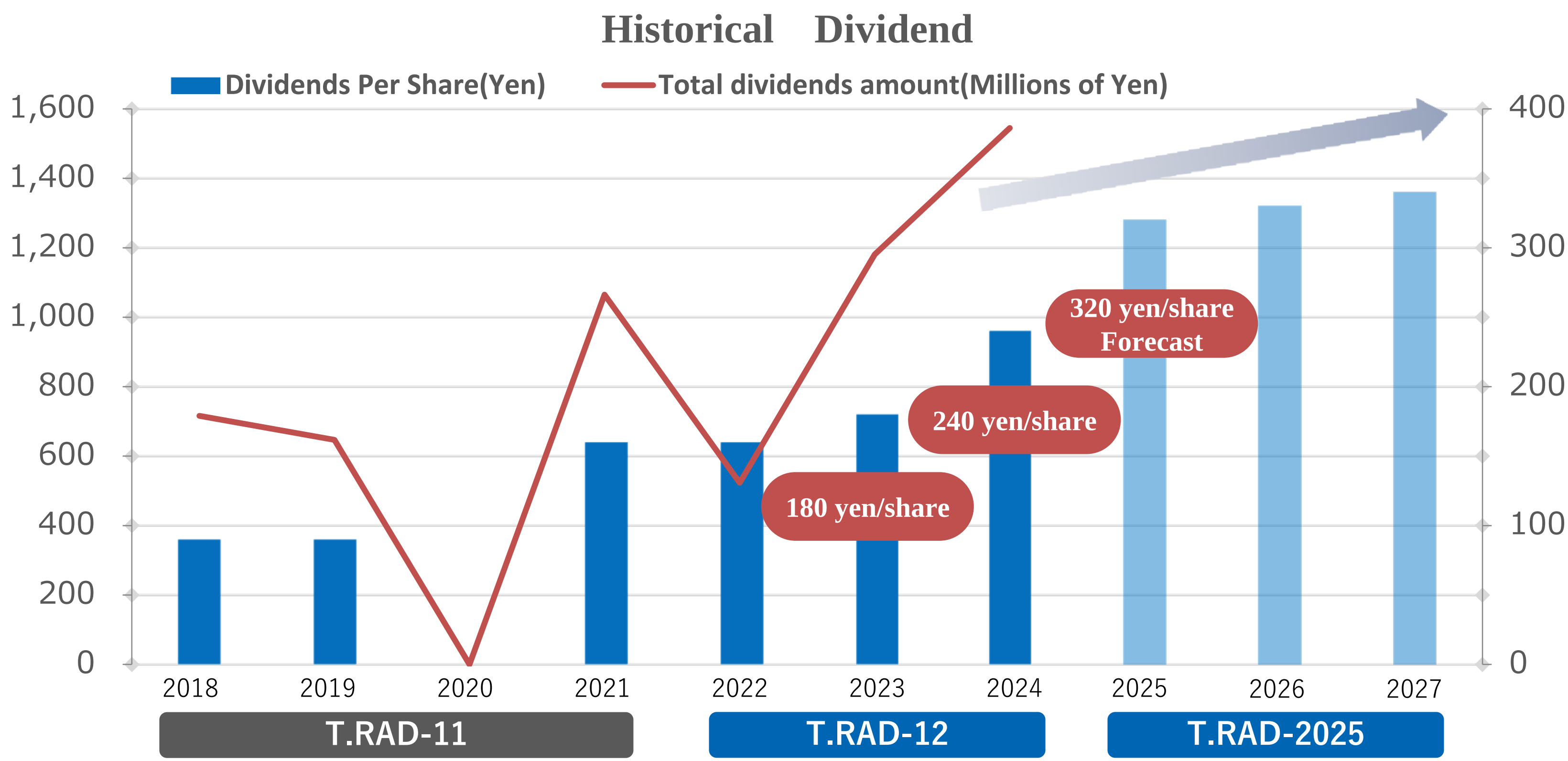
| Breakdown of non-operating expenses | |
|---|---|
| Foreign exchange losses | 135 |
| Interest expenses | 123 |
| Others | 14 |

| Breakdown of extraordinary Income | |
|---|---|
| Sales of investment securities | 51 |
| Sales of noncurrent assets | 22 |

| Details of extraordinary losses | |
|---|---|
| Retirement of noncurrent assets | 39 |

* Income taxes & other include Profit attributable to non-controlling interests.

# （Reference） Historical Return to Shareholder

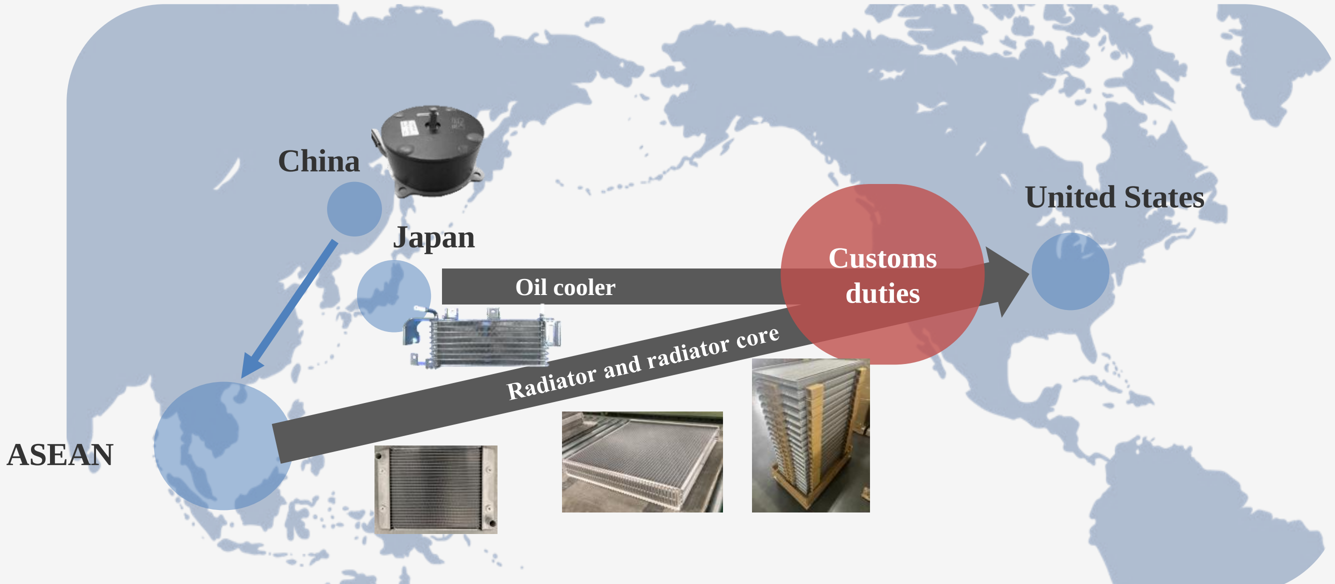



| | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 Forecast |
|---|---|---|---|---|---|---|---|---|
| Dividend per share(yen) | 90 | 90 | 0 | 160 | 80 | 180 | 240 | 320 |
| Treasury Stock Buyback (million yen) | 1 | 1,356 | 0 | 2,159 | 116 | 0 | 819 | 4,000 |
| Dividend Ratio(%) | 41% | 45% | 0% | 31% | Net profit loss | 95% | 33% | 28% |
| Total Return Ratio(%) | 41% | 140% | 0% | 91% | Net profit loss | 95% | 55% | 93.8% |
| DOE(%) | 1.6% | 1.5% | 0.0% | 2.6% | 1.2% | 2.7% | 3.3% | — |
| PBR(times) | 0.4 | 0.20 | 0.40 | 0.40 | 0.40 | 0.60 | 0.50 | — |

# 02 Customs Duty Impact and Countermeasure Progress

# Actions for U.S. Customs Policy in FY2025

**Respond promptly and flexibly while monitoring developments in the Trump administration's customs policy.**




## Action ① Efforts to Maintain Profitability

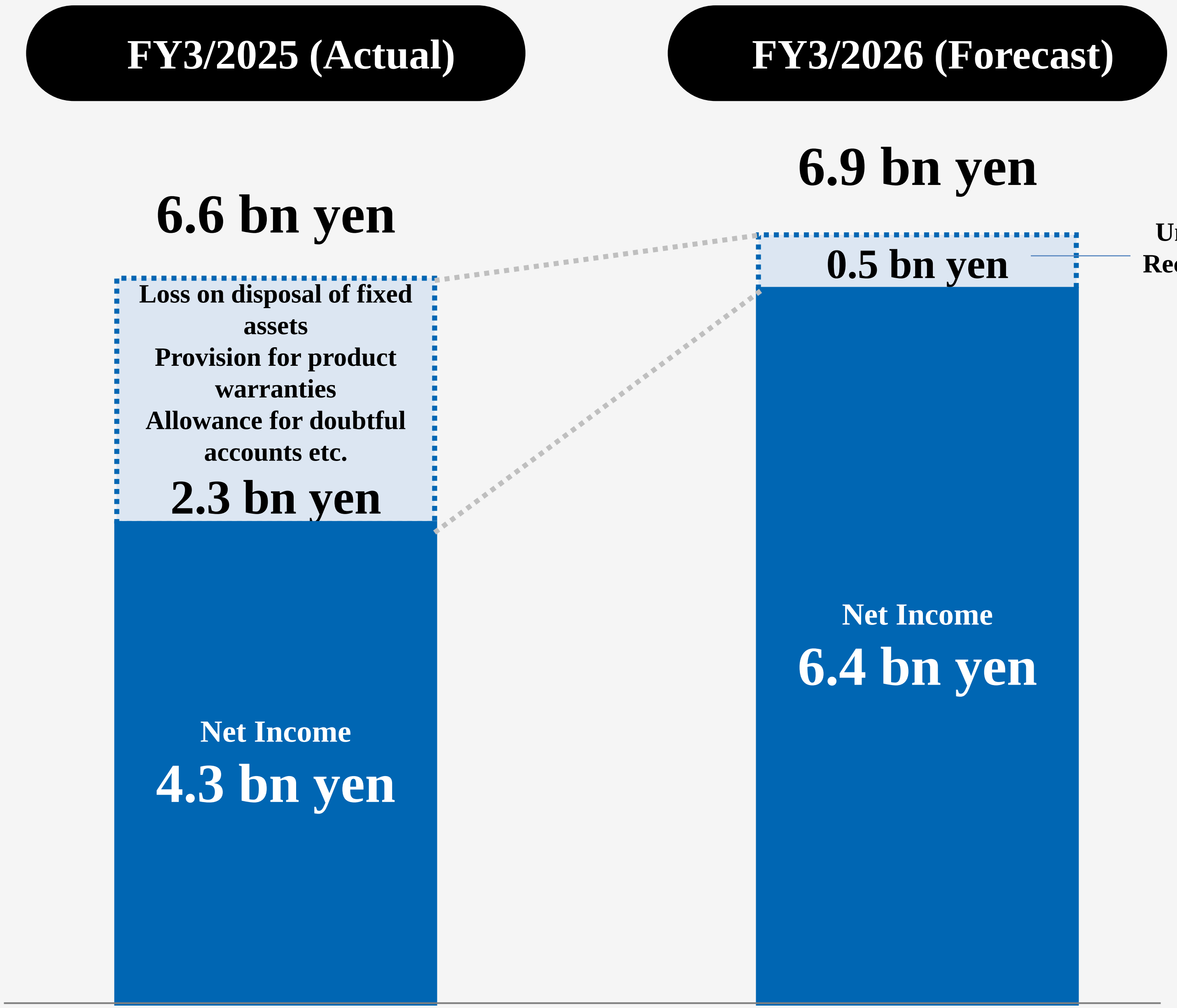
- **Restructure material procurement routes**
  - ➢ **Consider supplier transfer (from China to ASEAN, etc.)**
- **Collaboration and negotiations with business partners**
  - ➢ **Discussions on passing on tariff cost increases**
  - ➢ **Current status of settlement (estimated for FY2025)**
    - ➔ Completed: Approx. 0.7 billion yen
    - ➔ Not yet settled: Approx. 0.5 billion yen

## Action ② Efforts to Optimize Production System

- **Strengthen local production and securing human resources**
  - ➢ **Enhance local production through the introduction of automation equipment**
  - ➢ **Consider land acquisition for U.S. domestic production in Tennessee (decision targeted within FY2025)**
- **Reassessment of global production allocation**
  - ➢ **Consider expansion of domestic production bases**

# 03 Forecast and Analysis of Consolidated Profitability

# FY2025 Net Income Forecast



# FY2025 Operating Income Forecast

(Billions of yen)

| | FY3/2024 | | FY3/2025 | | FY3/2026 (Forecast) |
|---|---|---|---|---|---|
| Sales | 158.7 | | 159.2 | | 154.0 |
| Operating Income | 4.4 | ⇒ | 7.3 | ⇒ | 8.8 |
| Operating Income Ratio | 2.8% | | 4.6% | | 5.7% |

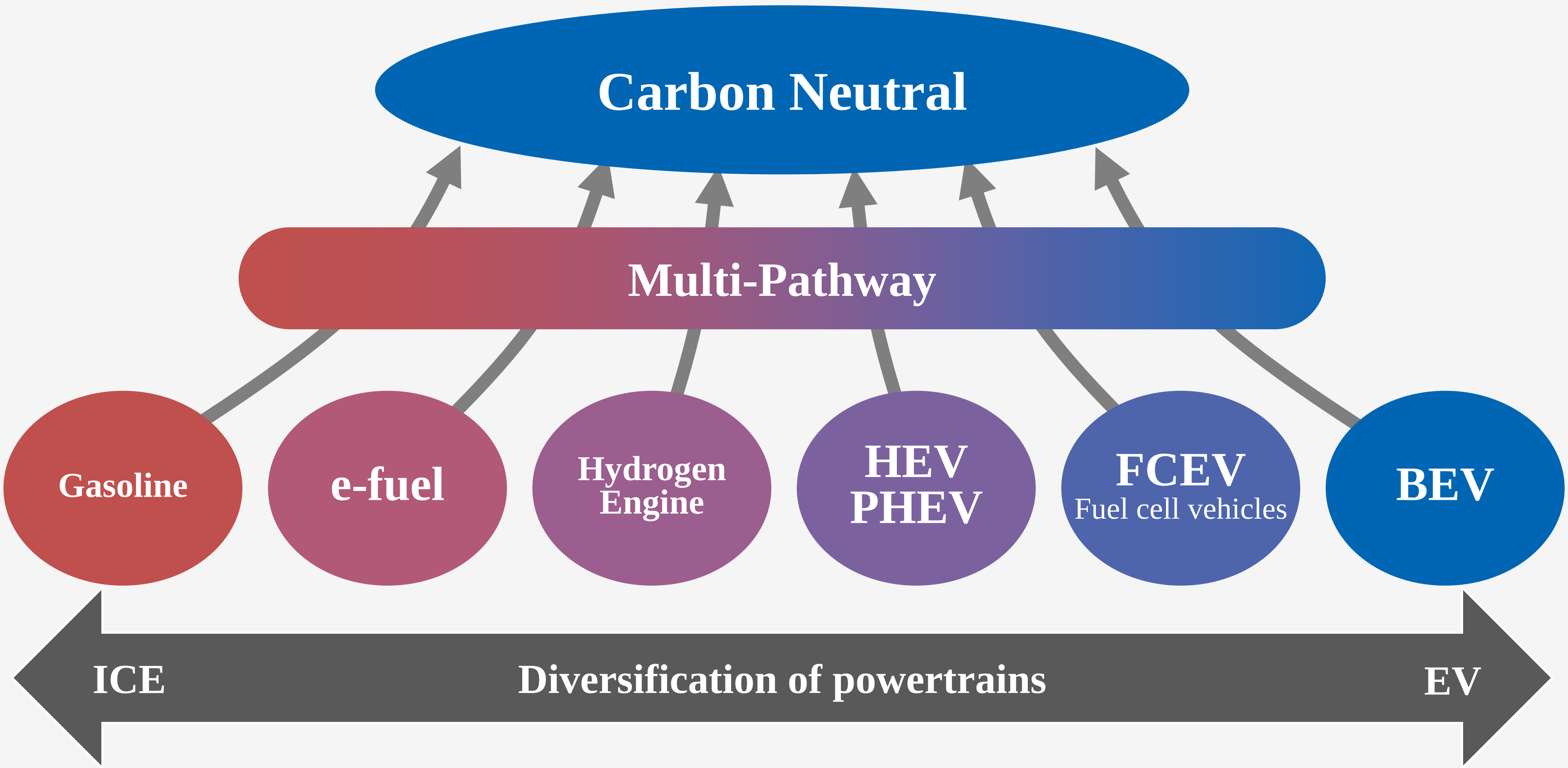
(Reference)

| | FY3/2024 | | FY3/2025 | | FY3/2026 (Forecast) |
|---|---|---|---|---|---|
| Operating Income(U.S.) | -2.3 | | -0.6 | | 0.0 |
| | | | | | |
| EBITDA | 10.6 | | 13.0 | | 13.8 |
| EBITDA Margins | 6.7% | | 8.2% | | 9.0% |

**Improvement Factors**

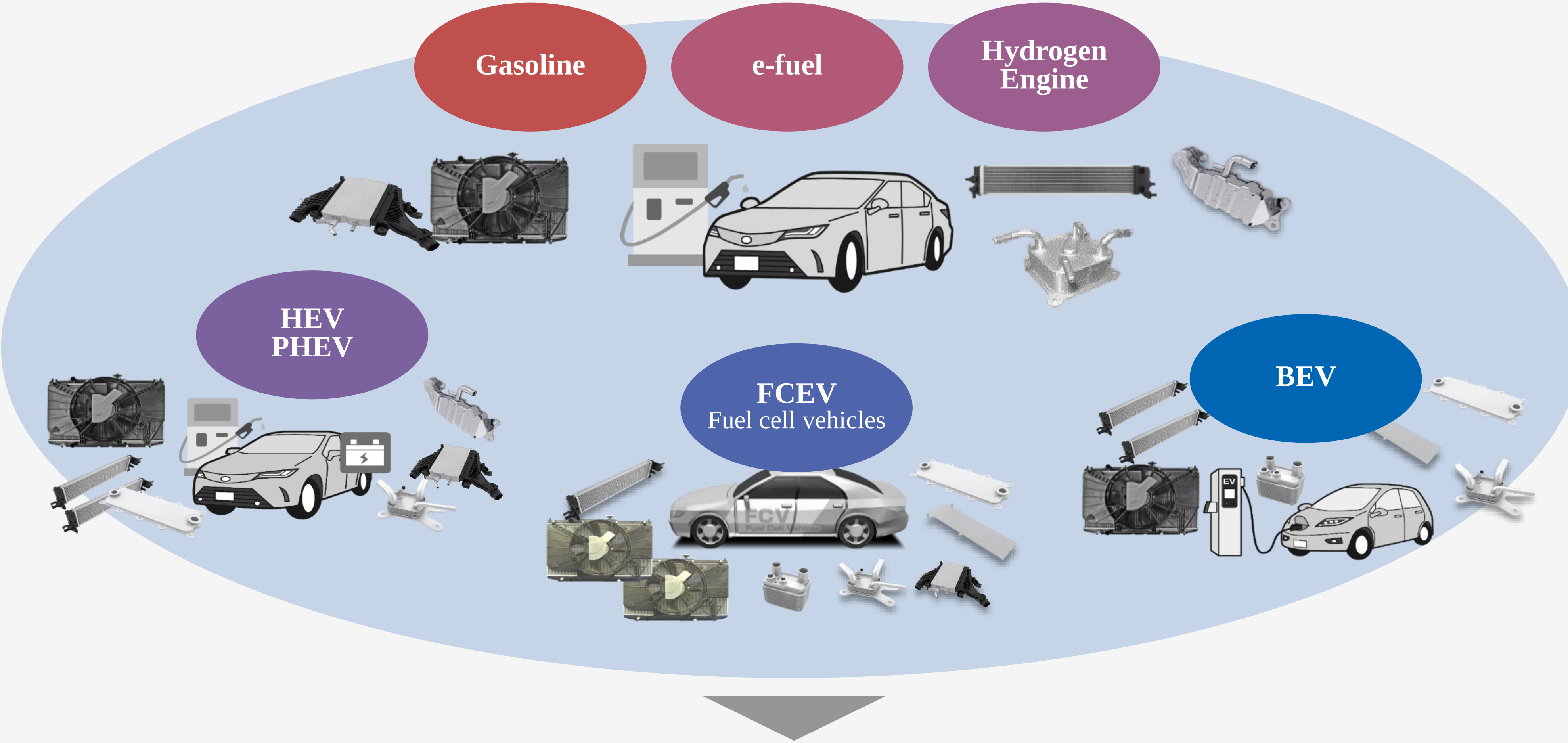
- **Higher selling prices and cost reduction**
  **→ Improvement in marginal profit**
- **Improved profitability in the U.S. segment**

# 04 Environmental Awareness and Growth Strategies



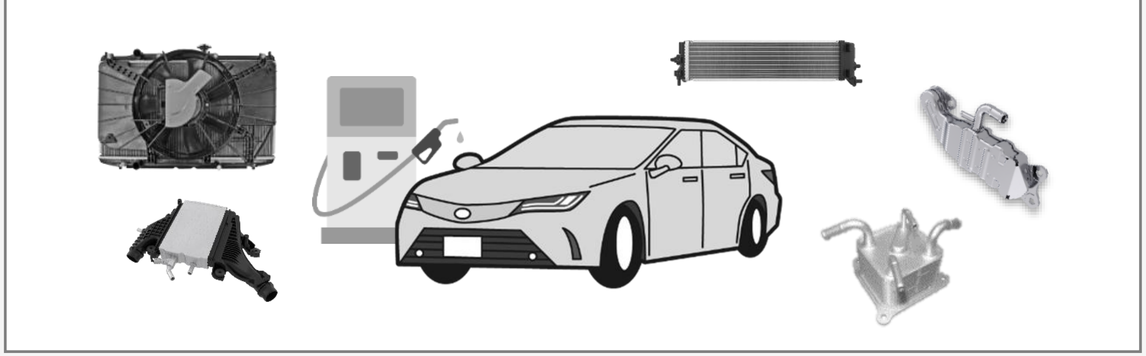

**There is a global recognition that a multi-pathway approach—offering not only BEVs but also a variety of powertrain options—is the quickest route to achieving carbon neutrality.**

# Heat Exchangers are Essential in All Powertrains




**In the era of multi-pathway approaches,**
**the demand of heat exchanger is increasing and becoming more diverse.**
**➔ Significant opportunity for market expansion for T.RAD!**

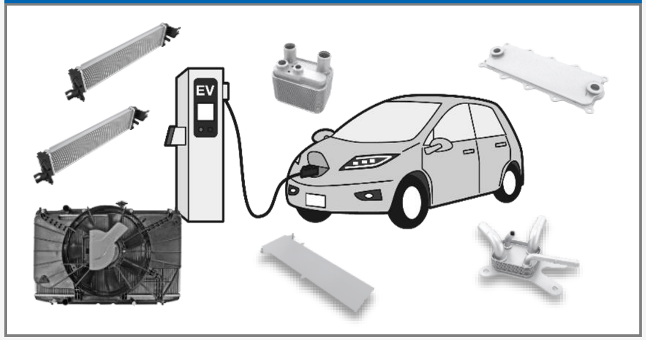
## Gasoline-Powered Vehicle (ICE): 2 - 6



## HEV / PHEV: 4 - 9

## FCEV: 5 - 7


## BEV: 3 - 7

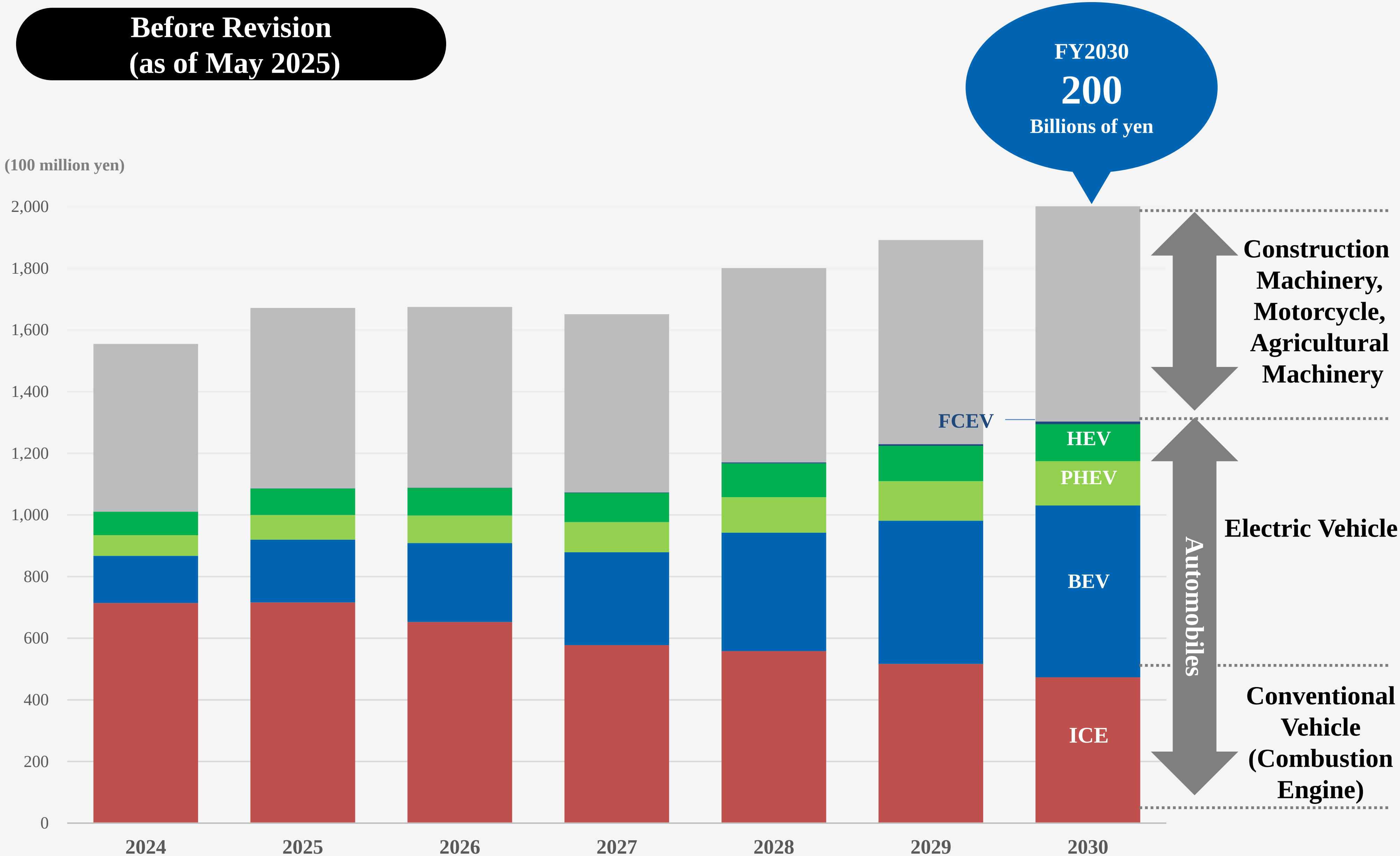



**The number of heat exchangers tends to increase as vehicle electrification progresses.**

# Sales Forecast by Category and Powertrain

*Company Forecast

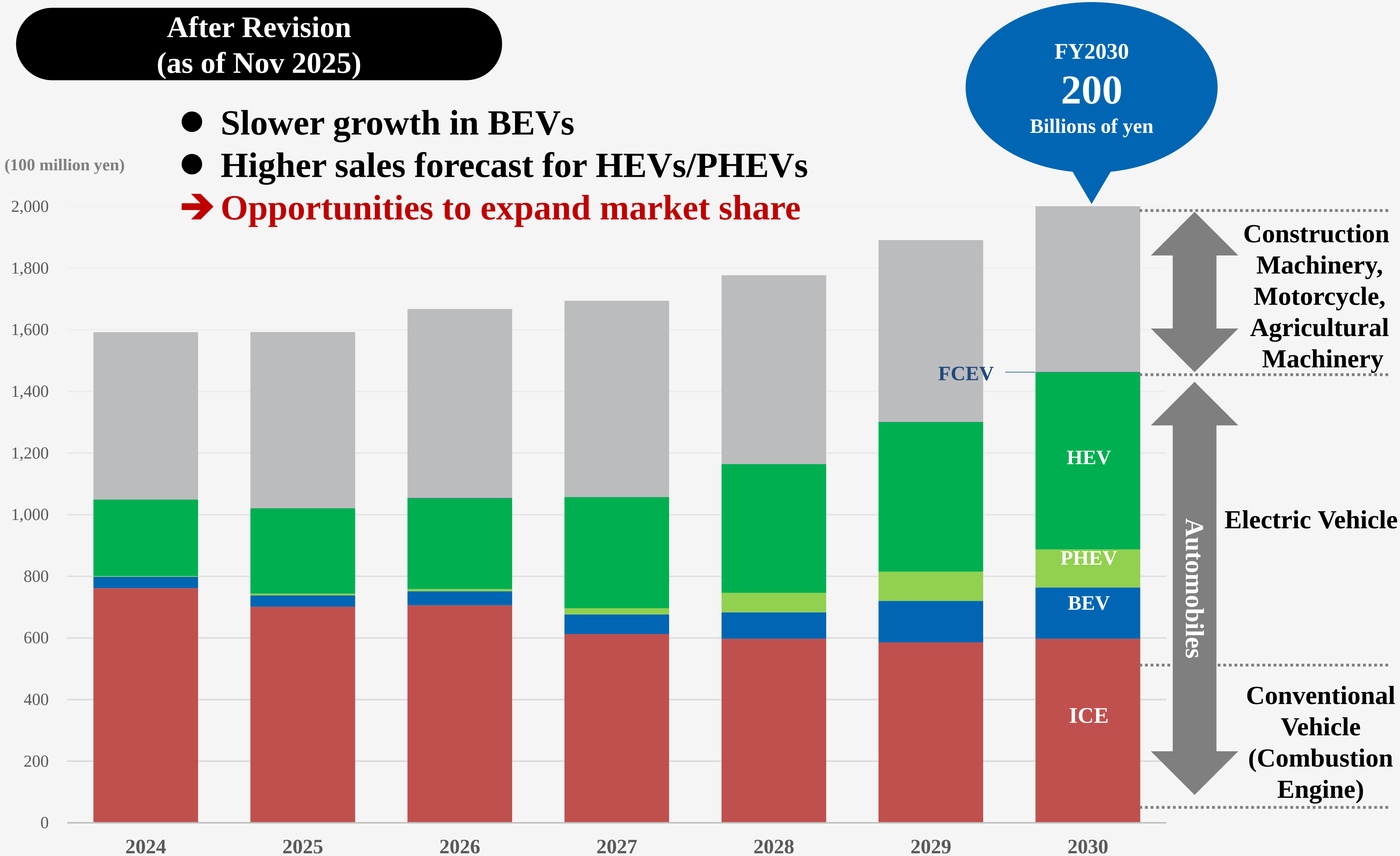
**Before Revision (as of May 2025)**



**After Revision (as of Nov 2025)**

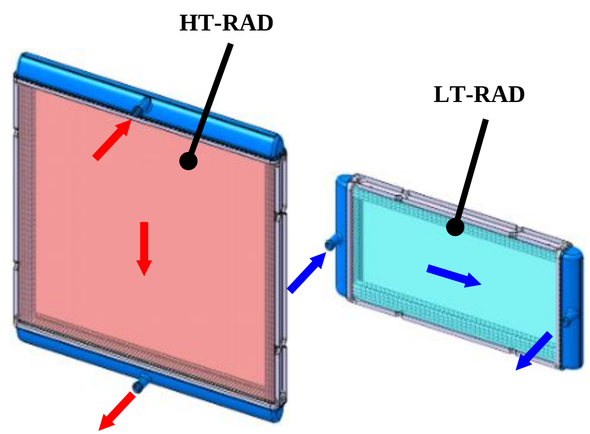
- Slower growth in BEVs
- Higher sales forecast for HEVs/PHEVs

→ Opportunities to expand market share



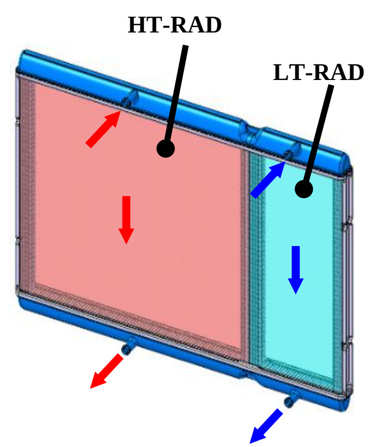
# Major automakers have adopted our multi-function radiators.

## Conventional: Separate Radiators




Integration

## Newly Developed: Multi-Function Radiators




A flagship strategic product for HEVs/PHEVs

### North America

**Confirmed Orders**
0.3 mn units
2.3 bn yen

→

**Future Plans**
1 mn units

*Includes 230,000 (1.7 billion yen) of multi-function radiators

➔ Plan to expand new factories

### China

**Confirmed Orders**
120,000 units
0.4 bn yen

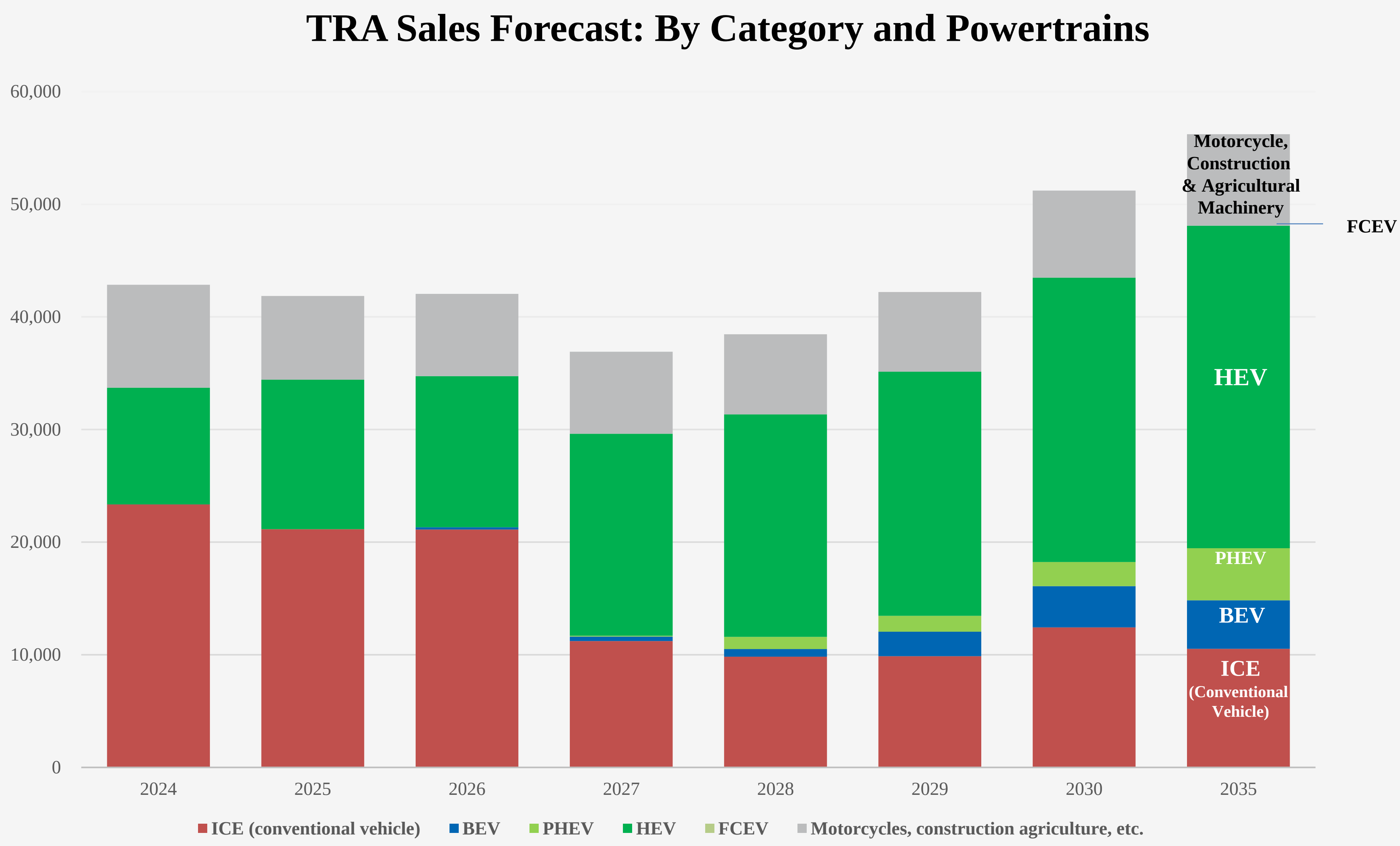
→

**Future Plans**
0.4 mn units

*All are multi-function radiators

*Similar initiatives are underway in Japan and Europe

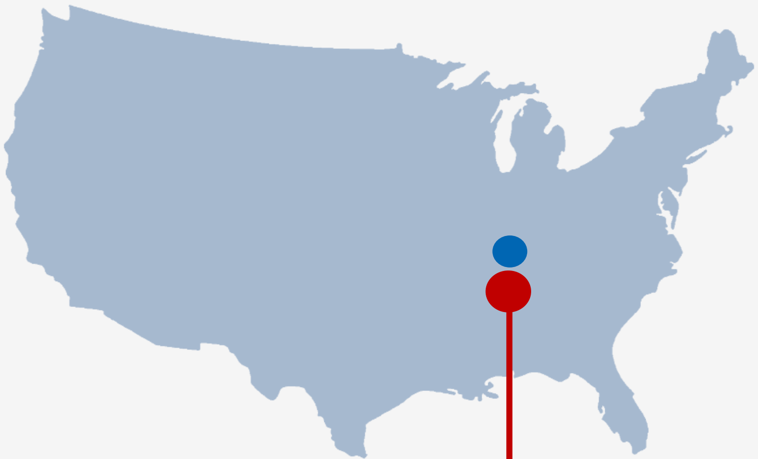
# U.S. Subsidiaries (TRA) Sales Forecast *Company Forecast



# 05 Investment Plan to Expand Manufacturing Bases

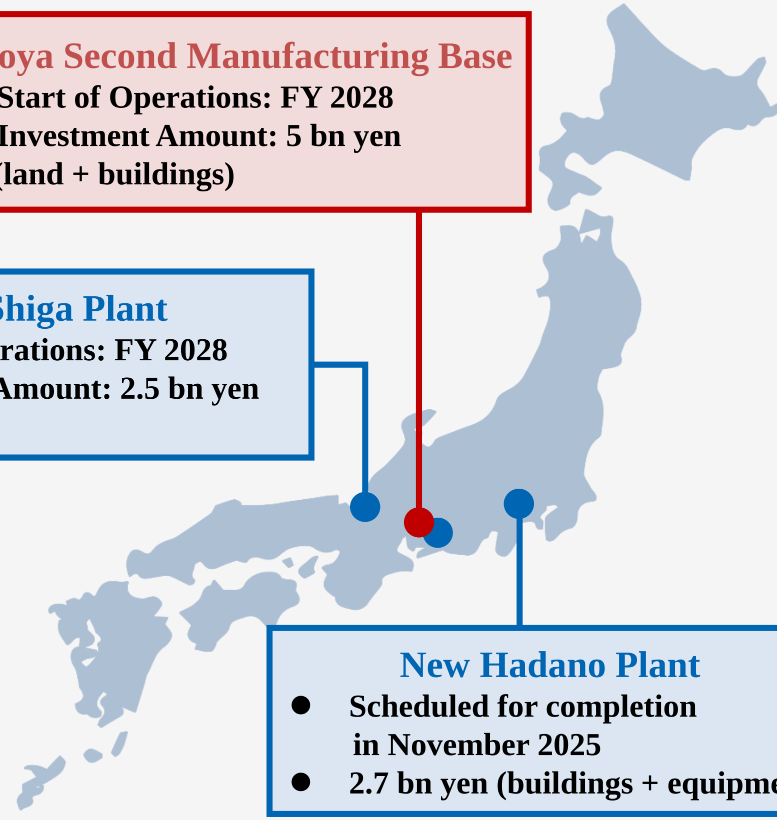
# Expansion of Production Bases (Medium-Term Plan)

## Manufacturing Bases in North America



**North America Second Manufacturing Base**
- Location: Tennessee
- Start of Operations: FY 2028
- Investment Amount: 7.5 - 10 bn yen (land + buildings)

## Manufacturing Bases in Japan



**Nagoya Second Manufacturing Base**
- Start of Operations: FY 2028
- Investment Amount: 5 bn yen (land + buildings)

**New Shiga Plant**
- Start of Operations: FY 2028
- Investment Amount: 2.5 bn yen (buildings)

**New Hadano Plant**
- Scheduled for completion in November 2025
- 2.7 bn yen (buildings + equipment)

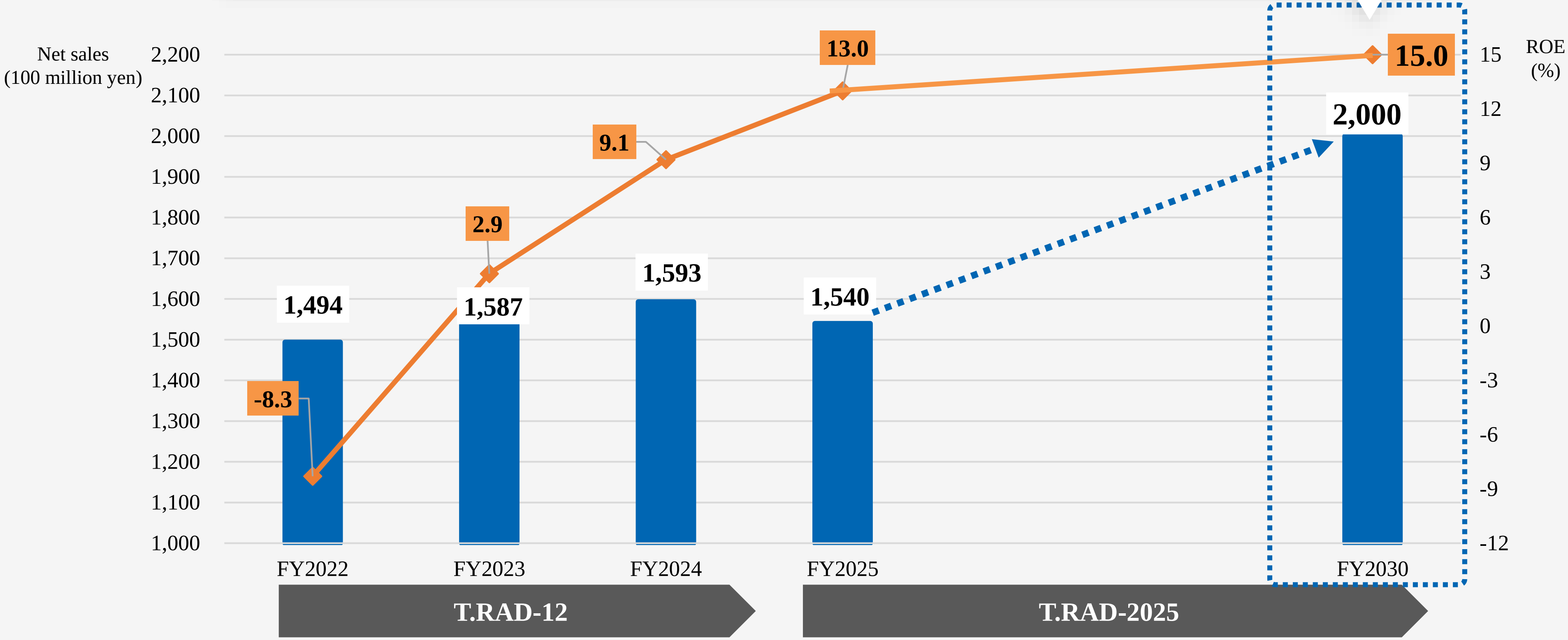
**We are working to capture market share opportunities by expanding our production capacity.**

*The above figures are based on current assumptions and have not been formally approved.
Appropriate disclosure will be made in the future as internal processes progress.

# 06 T.RAD-2025 Performance Targets

# T.RAD-2025 Performance Targets

| Net Sales (FY2030 Target) | ROE |
|---|---|
| 200 bn yen | 15.0% |




- **Leveraging the strengths as an independent supplier, the company is conducting focused sales promotion activities targeting a wide range of customers**
- **The targets are set at feasible levels, considering realistic achievability**

# T.RAD-2025 Equity Allocation Policy

**Operating cash flow (10 to 15 bn yen per year) + Borrowing (5 bn yen per year*)**

*Assuming an equity ratio of 40% or higher

**15 to 20 billion yen per year**

## Growth Investment

**Strengthen Existing Businesses**

- Development of heat exchangers compatible with multi-pathway strategies
- Introduction of labor-saving, automation, and productivity-improvement equipment
- DX and environmental investments
- Investment in human resources

## Strategic Investment

**Invest in the Future**

- Expansion of production capacity and promotion of global production reallocation
- Consideration of a second production base in the U.S.
- Expansion of investment in India
- Consideration of M&A opportunities
- New business initiatives

## Shareholder Returns

**Become a Company Valued by the Market**

- Achieving stable dividends and flexible share buybacks through DOE
- Balancing capital efficiency and financial stability (equity ratio)
- Pursuing ROE and PBR (1.0x) targets

- **Allocate Cash to investment in a timely manner, premised on achieving returns above the WACC (6%)**
- **Aim to become a top-runner in heat exchanger manufacturer with unmatched capabilities**

# T.RAD-2025 Shareholder Return Targets

**FY2024 Actual**

| | | | | |
|---|---|---|---|---|
| Annual dividend 240 yen | = | Interim dividend 90 yen | + | Year-end dividend 150 yen |
| DOE 3.3% | = | ROE 9.1% | × | Dividend payout ratio 36% |

**FY2025 Forecast**

| | | | | |
|---|---|---|---|---|
| Annual dividend 320 yen | = | Interim dividend 160 yen | + | Year-end dividend 160 yen |
| DOE 3.5% | = | ROE 13% | × | Dividend payout ratio 28% |

**FY2030 Target**

| | | | | |
|---|---|---|---|---|
| DOE 5.0% or above | = | ROE 15.0% or above | × | Dividend payout ratio 34% or above |

**Since FY2024, we have been using consolidated dividends on equity (DOE) as a new indicator to improve capital efficiency and realize stable long-term returns to shareholders.**

*DOE = Annual total dividends ÷ Averages of consolidated net assets (excluding non-controlling interests) at the end of the previous fiscal year and the end of the current fiscal year. Effective from FY2024

# T.RAD-2025 Shareholder Return Policy

T.RAD-12 | T.RAD-2025

## Management Targets

| | FY2024 Results | FY2030 Targets |
|---|---|---|
| Net sales | 159.2 bn yen | 200 bn yen |
| ROE | 9.1% | 15.0% |
| PBR | 0.5 times | 1.0 times |

## Shareholder Returns

**FY2024 Results (T.RAD-12)**

Share buyback
8.2 bn yen

DOE 3.3%
Annual dividend
240 yen

**T.RAD-2025**

Share buyback
4 bn yen or more

Scheduled to buy back 4 bn yen of treasury stock in FY2025

Consider buying back shares in consideration of market liquidity going forward

DOE 3.3% or above
Annual dividend 320 yen

Strengthen DOE levels while improving ROE

DOE
5.0% or more

- Increase in sales and ROE through further market share gains
- Timely and appropriate investments, as well as shareholder returns, supported by operating cash flow generation

**Implementing management with awareness on capital efficiency and stock price**

# Initiatives to Improve T.RAD-2025 PBR

| | PBR | | ROE | | PER |
|---|---|---|---|---|---|
| FY2025 Forecast | 0.9 | = | 13.0% | × | 6.9times |
| FY2030 Target | 1.0 | = | 15.0% | × | 6.7 times |

**Market capitalization exceeding the net assets**
(Stock price above BPS)

**ROE exceeding the 8% cost of equity**

| | ROE | | Net income margin (Profitability) | | Total asset turnover (efficiency) | | Financial Leverage (Non-safety) |
|---|---|---|---|---|---|---|---|
| | $\frac{\text{Net Income}}{\text{Shareholders' equity}}$ | = | $\frac{\text{Net Income}}{\text{Net sales}}$ | × | $\frac{\text{Net sales}}{\text{Total assets}}$ | × | $\frac{\text{Total assets}}{\text{Shareholders' equity}}$ |
| FY2025 Forecast | 13% | = | 4.2% | × | 1.5 times | × | 2.1 times |
| FY2030 Target | 15.0% | = | 4.5% | × | 1.5 times | × | 2.3 times |

**Management focusing on profitability**

**Pursuit of capital efficiency**

# T.RAD-2025 FY2030 Performance Assumptions

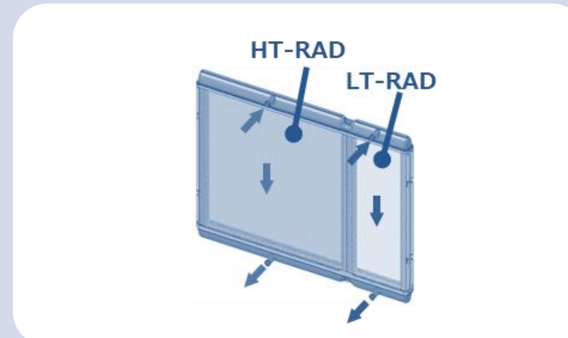
(Billions of yen)

| | FY2025 Forecast | FY2030 Assumptions |
|---|---|---|
| Sales | 154.0 | 200.0 |
| Operating Income | 8.8 | 11.0 |
| Operating Income Ratio | 5.7% | 5.5% |
| Net Income | 6.4 | 9.0 |
| Net Income Ratio | 4.2% | 4.5% |
| | | |
| Net Assets | 49.2 | 60.0 |
| ROE | 13.0% | 15.0% |
| (Reference) | | |
| Depreciation and Amortization | 5.0 | 7.5 |
| EBITDA | 13.8 | 18.5 |
| EBITDA Margins | 9.0% | 9.3% |

**To achieve the FY2030 sales and ROE targets set under T.RAD-25,**
**we will work to expand market share, improve profitability, and continue striving for capital efficiency.**

# Summary

## A great opportunity for market expansion has arrived!

| Market Environment | Competitive Environment | Competitive Position of Products |
|---|---|---|
|  |  |   |
| Higher sales forecasts for HEVs/PHEVs, supported by multi-pathway strategies | Growing inquiries driven by strategic changes among domestic competitors | Flagship multi-function radiator<br><br>Increased orders from major automakers |

**To achieve the FY2030 sales target of 200 billion yen,**
**now is an excellent opportunity to expand market share by increasing production capacity.**

# Thank you for your participation.

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