

Briefing Materials on the Financial Results for the Year Ended March 2025

May 13, 2025

SANSHIN ELECTRONICS CO., LTD.

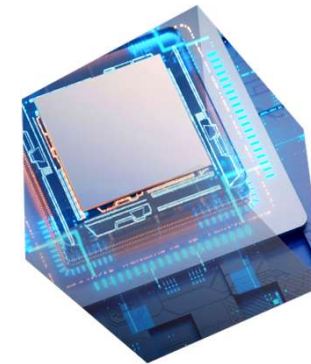
Toshiro Suzuki, Representative Director, CEO

As a general electronics trading company committed to being “customers’ best partner,” Sanshin Electronics runs two major businesses: device business and solution business.

Device Business

— Addressing diversified market needs through a wide product lineup —

We cover a wide array of manufacturers, from both domestic and overseas major semiconductors/electronic parts makers all the way to emerging manufacturers that are currently developing products with excellent performance. In a time when market needs are constantly diversifying, we respond to our customers’ requests through a full lineup and detailed system of both domestic and overseas sales.



Solution Business

— Building up social infrastructures interconnected through ICT —

With information and telecommunications network at the core of our operations, we are committed to proposing and building up the optimal system to fit our customers’ needs. We provide our customers with a safe and reliable infrastructure through bundled services, including a support menu, after the system implementation.



I. Year Ended March 2025 Performance Summary

Year Ended March 2025

Consolidated Performance Summary (Unit: ¥100 million)



■ Net sales increased by 12% against the previous fiscal year (YoY). Although SG&A expenses increased, earnings increased due to sales expansion, and ROE was 8.9%.

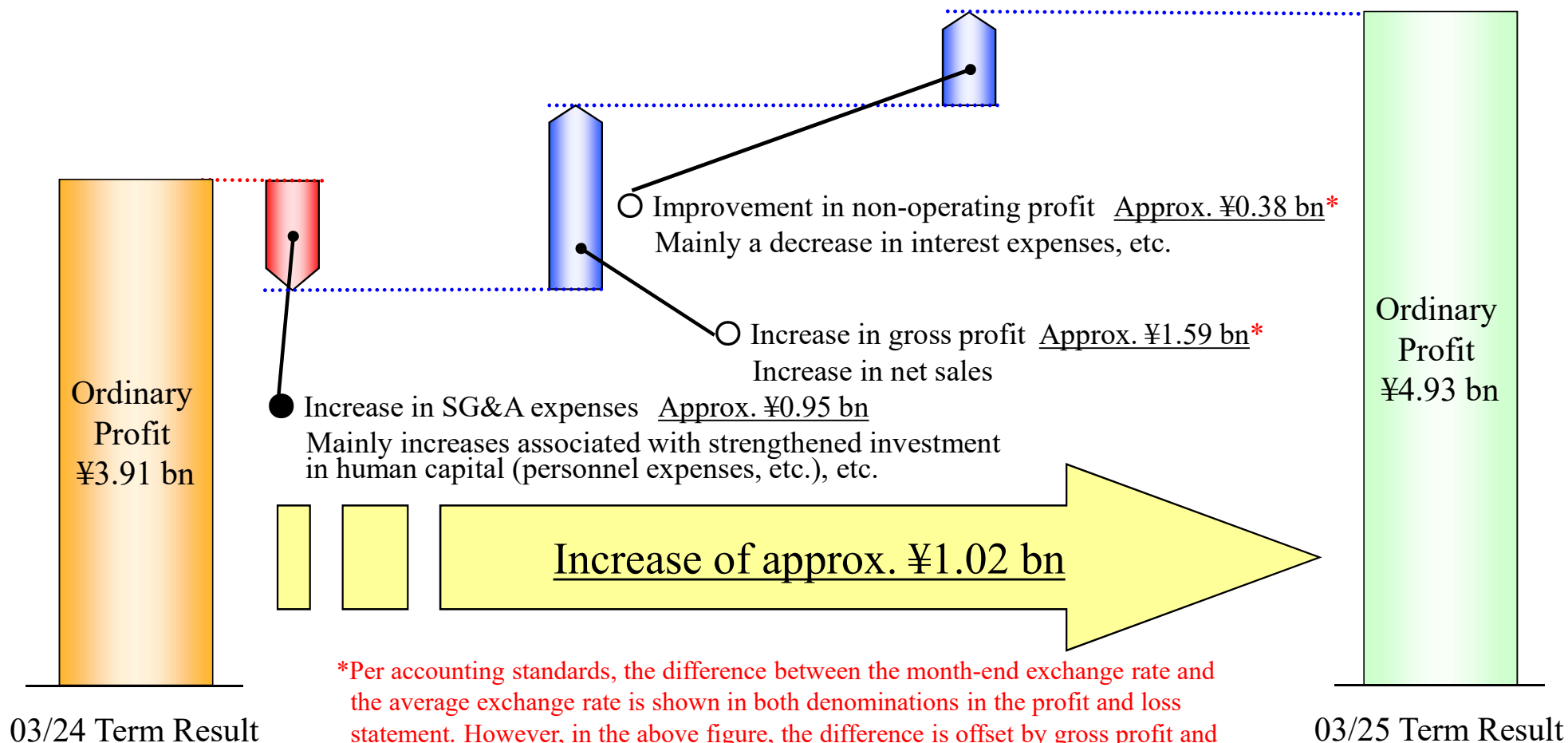
	03/24 Result	03/25 Result	YoY Change	Forecast	Achievement Ratio
Net Sales	1,402.0	1,573.4	112%	1,540.0	102%
Gross Profit on Sales	11.1% 155.5	10.5% 165.5	106%	Not announced	—
SG&A Expenses	7.0% 98.0	6.8% 107.6	110%	Not announced	—
Operating Profit	4.1% 57.5	3.7% 57.9	101%	3.1% 47.0	123%
Ordinary Profit	2.8% 39.1	3.1% 49.3	126%	2.8% 43.0	115%
Net Profit Attributable to Shareholders of Parent Company	2.0% 27.4	2.2% 35.2	128%	1.9% 30.0	117%
ROE	7.6%	8.9%	+1.3p	Not announced	—
Exchange Rate (1 US dollar)	¥144.62	¥152.56	¥7.94	Not announced	—

*1) Figures in the Forecast section were revised on February 14, 2025.

*2) Figures in the YoY Change section for ROE and exchange rate represent increases or decreases.

Year Ended March 2025

Year-to-Year Comparison of Consolidated Ordinary Profit



*Per accounting standards, the difference between the month-end exchange rate and the average exchange rate is shown in both denominations in the profit and loss statement. However, in the above figure, the difference is offset by gross profit and non-operating profit and loss, and the actual increase or decrease is shown.

Year Ended March 2025

Consolidated Performance Summary by Segment (Unit: ¥100 million)



■ Device Business

Both sales and earnings increased YoY as sales increased mainly in vehicle-mounted products, partly due to the establishment of new business, and the yen's depreciation also contributed to the increase.

■ Solution Business

Both sales and earnings increased YoY due to overall firm trends with a focus on network systems business for corporations.

		03/24 Term Result	03/25 Term Result	YoY Change
Device Business	Net Sales	1,249.1	1,392.7	111%
	Operating Profit	3.9% 48.7	3.5% 48.3	99%
	Segment Profit	1.7% 21.0	2.0% 27.7	132%
Solution Business	Net Sales	152.9	180.7	118%
	Operating Profit	14.4% 22.0	14.6% 26.3	120%
	Segment Profit	11.8% 18.1	12.0% 21.6	119%
Exchange Rate (1 US dollar)		¥144.62	¥152.56	¥7.94

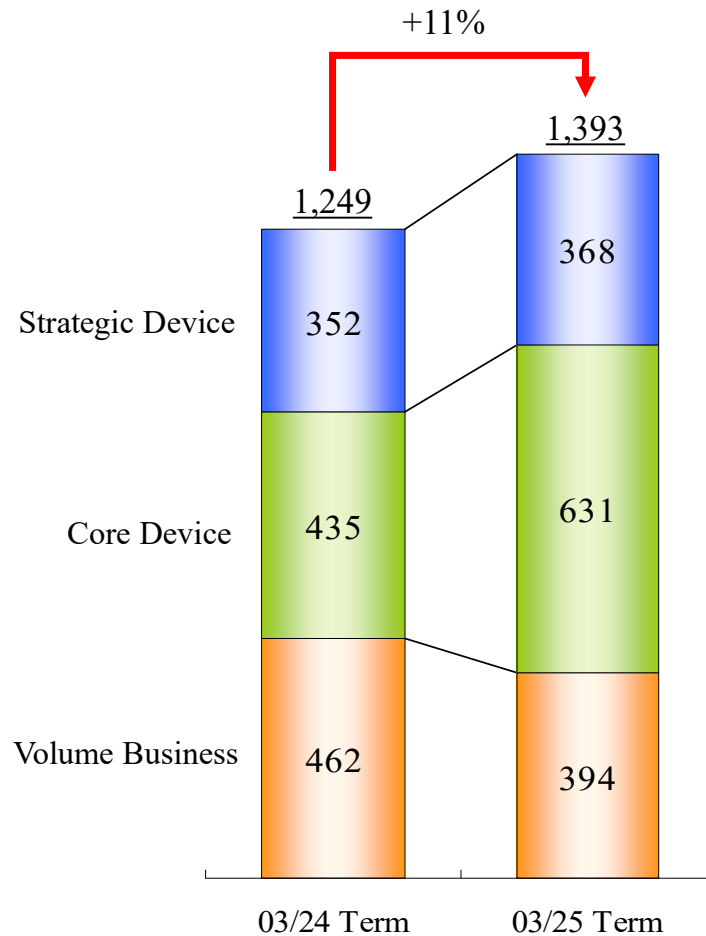
*The figure in the YoY Change section for exchange rate represents an increase or decrease in amount.

Year Ended March 2025

Year-to-Year Comparison of Consolidated Net Sales (Unit: ¥100 million)



三信電気株式会社
SANSHIN ELECTRONICS CO., LTD.



By Business Category of Device Business

【Year-to-Year Comparison of Fluctuations】

■ Strategic Device (up 5% YoY)

○ Increase in overseas merchandise such as wireless merchandise/analog semiconductors

■ Core Device (up 45% YoY)

○ Overall firm trends for items such as vehicle-mounted products

■ Volume Business (down 15% YoY)

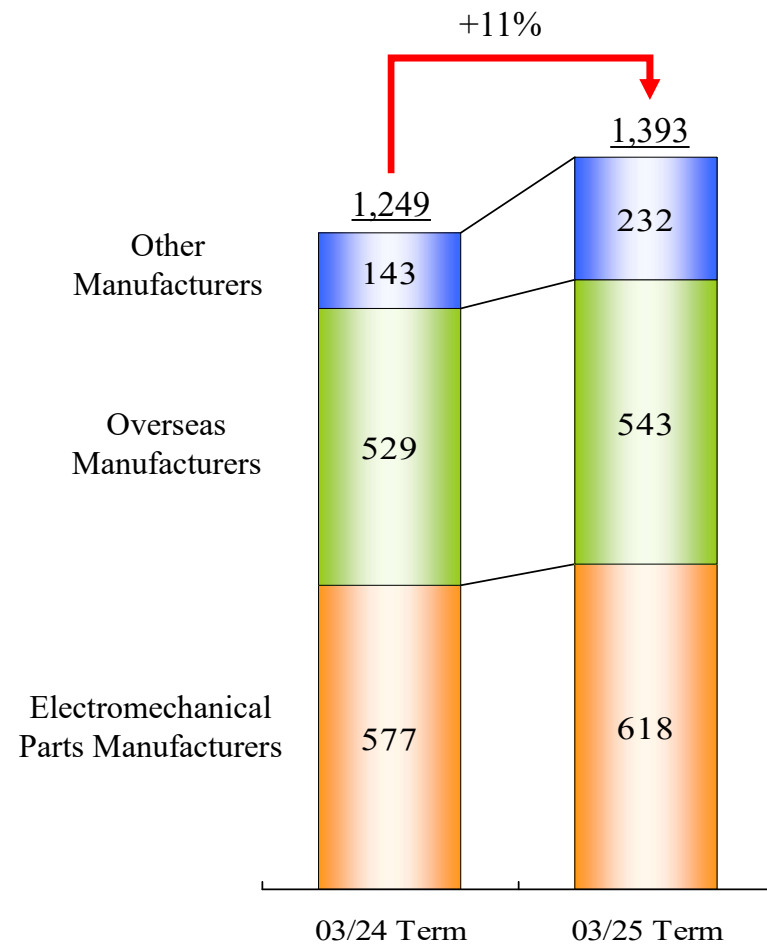
● Decrease for mobile devices and social infrastructure

Year Ended March 2025

Year-to-Year Comparison of Consolidated Net Sales (Unit: ¥100 million)



三信電気株式会社
SANSHIN ELECTRONICS CO., LTD.



By Supplier of Device Business

【Year-to-Year Comparison of Fluctuations】

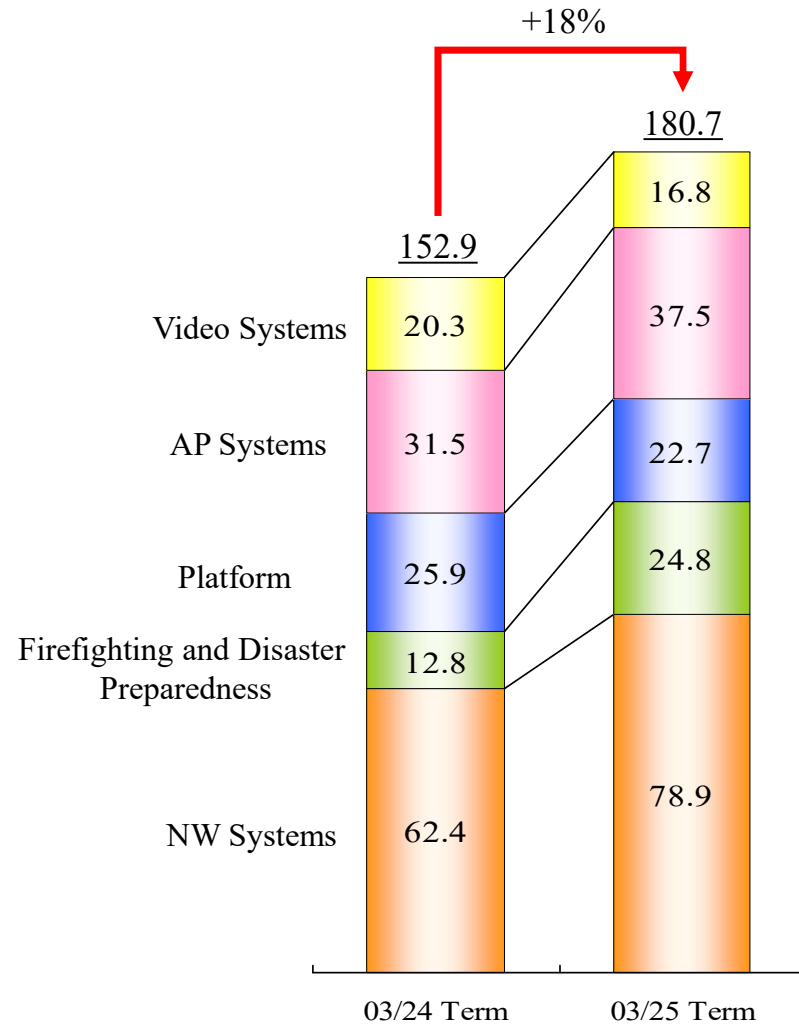
- Other Manufacturers (up 62% YoY)
 - Increase in vehicle-mounted products
- Overseas Manufacturers (up 3% YoY)
 - Increase for wireless merchandise/analog semiconductors, etc.
- Electromechanical Parts Manufacturers (up 7% YoY)
 - Overall firm trends except for mobile devices

Year Ended March 2025

Year-to-Year Comparison of Consolidated Net Sales (Unit: ¥100 million)



三信電気株式会社
SANSHIN ELECTRONICS CO., LTD.



By Sector of Solution Business

【Year-to-Year Comparison of Fluctuations】

Video Systems (down 17% YoY)

● Decrease in streaming projects

AP Systems (up 19% YoY)

○ Increase in software development projects

Platform (down 12% YoY)

● Decrease in server-related sales

Firefighting and Disaster Preparedness (up 94% YoY)

○ Increase due to renewal of existing customers/securing of new projects

NW Systems (up 26% YoY)

○ Increase due to favorable trends in networking projects for large corporations

Year Ended March 2025

Consolidated Financial Situation

(Unit: ¥100 million)



- Total assets were ¥84.1 bn, up ¥5.2 bn from the end of the previous fiscal year, due to an increase in accounts receivable from an increase in sales and an increase in non-current assets, despite a reduction in inventories.
- Interest-bearing liabilities were ¥24.1 bn, largely unchanged from the previous fiscal year, with a debt-to-equity ratio of 0.59.
- Net assets increased by ¥2.2 bn compared to the end of the previous fiscal year due to an increase in retained earnings. The equity ratio was firm at 48.2%, although challenges remain in capital efficiency.
- Operating cash flows were ¥4.0 bn due to a decrease in inventories and increase in accounts payable-trade

1) Balance Sheet

	FY Ended Mar. 23 Result (A)	FY Ended Mar. 24 Result (B)	B-A Increase/ Decrease	FY Ended Mar. 25 Result (C)	C-B Increase/ Decrease
Cash and deposits	88.9	87.9	-1.0	93.6	5.7
Accounts receivable	372.7	344.8	-27.8	406.3	61.4
Inventories	250.0	229.3	-20.7	197.6	-31.7
Other assets	74.4	126.8	52.4	143.0	16.3
Total assets	786.0	788.8	2.8	840.5	51.7
Accounts payable	138.6	133.5	-5.1	155.6	22.1
Interest-bearing liabilities	268.3	239.6	-28.7	241.2	1.6
Other liabilities	36.6	32.0	-4.6	38.2	6.2
Total net assets	342.5	383.7	41.2	405.5	21.8
Total liabilities and net assets	786.0	788.8	2.8	840.5	51.7
Equity ratio	43.5%	48.5%	5.0%	48.2%	-0.3%

2) Cash Flows

	FY Ended Mar. 23 Result	FY Ended Mar. 24 Result	FY Ended Mar. 25 Result
Decrease (increase) in accounts receivable-trade	7.9	59.6	-63.9
Decrease (increase) in inventories	-44.7	35.2	31.4
Increase (decrease) in accounts payable-trade	-17.0	-19.8	23.3
Other	46.0	-17.6	49.0
Operating C/F	-7.8	57.4	39.8
Investing C/F	-0.5	-3.6	-22.2
Financing C/F	2.6	-58.8	-11.1
Foreign currency conversion adjustments	1.5	4.1	-0.8
Increase (decrease) in cash and deposits	-4.1	-1.0	5.7
Balance of cash and deposits at term-end	88.9	87.9	93.6

Year Ended March 2025

Return to Shareholders



● Policy on Distribution of Profits

The Company considers profit returns to its shareholders as one of the most important management issues. The Company's basic policy is to determine dividends by comprehensively considering the need to maintain a balance between rewarding of shareholders, investment to gain opportunities for growth, attainment of sufficient retained earnings to enable sustainable growth, and improvement in capital efficiency. Under this policy, the Company has set a target for its dividend payout ratio of around 50% on a consolidated basis.

● Dividends for the Year Ended March 31, 2025

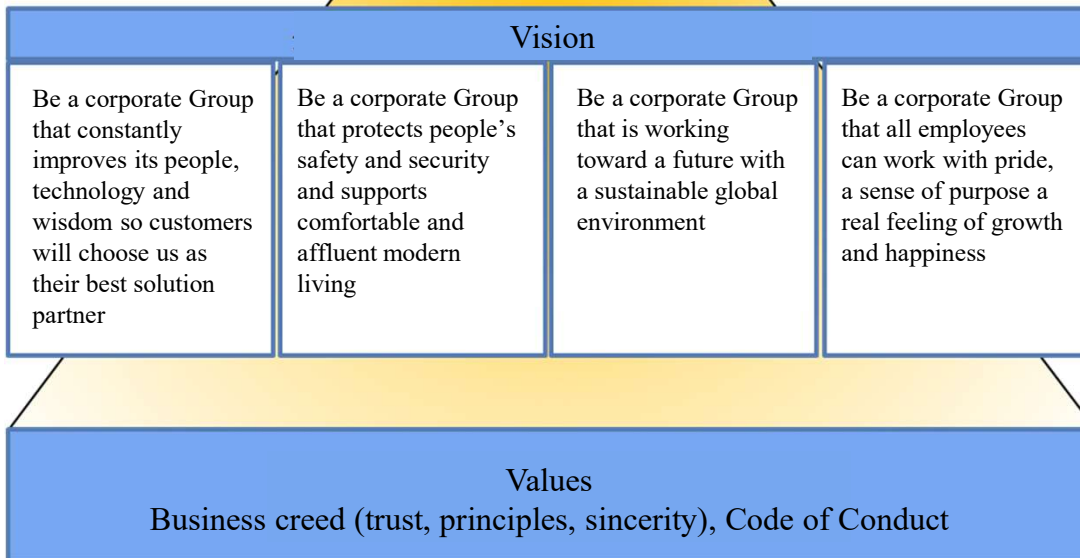
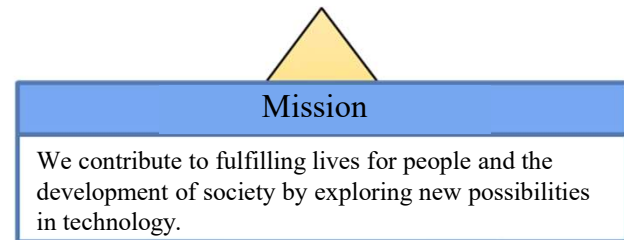
An annual dividend of ¥135 per share (midterm dividend of ¥30, term-end dividend of ¥105); consolidated dividend payout ratio of 47.4%

*The term-end dividend is subject to approval at the 74th Ordinary General Meeting of Shareholders to be held on June 20, 2025.

		03/21 Result	03/22 Result	03/23 Result	03/24 Result	03/25 Result	YoY Change
Annual Dividend Per Share	Ordinary Dividend	¥40	¥80	¥135	¥105	¥135	+¥30.00
	Commemorative Dividend	—	¥20	—	—	—	—
	Total	¥40	¥100	¥135	¥105	¥135	+¥30.00
Payout Ratio		46.9%	48.8%	43.5%	47.3%	47.4%	+0.1%

II. V76 Medium-Term Management Plan and Review of Progress

Long-Term Corporate Vision



The Group believes that mutual understanding among a wide range of stakeholders and growing together will lead to sustainable growth in corporate value. For this reason, the Group has formulated a long-term corporate vision and identified key issues to tackle in order to achieve that vision. We are grappling with each of these issues with great determination.

Key issues

1. Issues for improving sustainable business growth and capital efficiency
 - (1) Shifting resources and upgrading organizations and systems to optimize business structure long-term
 - (2) Streamlining of clerical and administrative work in existing businesses and expanding sales and revenues through sales-force automation
 - (3) Entering growth businesses by applying solutions using digital technology
 - (4) Continuous improvement of capital efficiency
2. Issues related to sustainability
 - (1) Advancement of management of human capital
 - (2) Advancement of environmental management in supply chains
 - (3) Contribution to solutions to social issues through business
 - (4) Strengthening of supervisory functions through improved effectiveness of meeting structures

V76 Medium-Term Management Plan

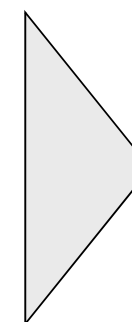
V76 period

Three years from April 1, 2024 to March 31, 2027

V76 quantitative target

Formation of a business structure that achieves stable **ROE of 8% or more**

Final year of the V76 Medium-Term Management Plan (fiscal year ending March 31, 2027)	Ordinary profit	Net profit
	More than ¥5 billion	More than ¥3.5 billion



Aiming to equal or exceed the price-to-book-value ratio of 1 through the following actions

- The Sanshin Electric Group expects cost of shareholders' equity of 8%
- The Group needs to upgrade its profit-earning and financial bases in order to raise return on equity (ROE) consistently above 8% since its operating profitability, stability and growth rate are low compared to competitors
- Expanding the equity spread by raising ROE while paring cost of shareholders' equity

Measures to achieve sustainable business growth and improve capital efficiency

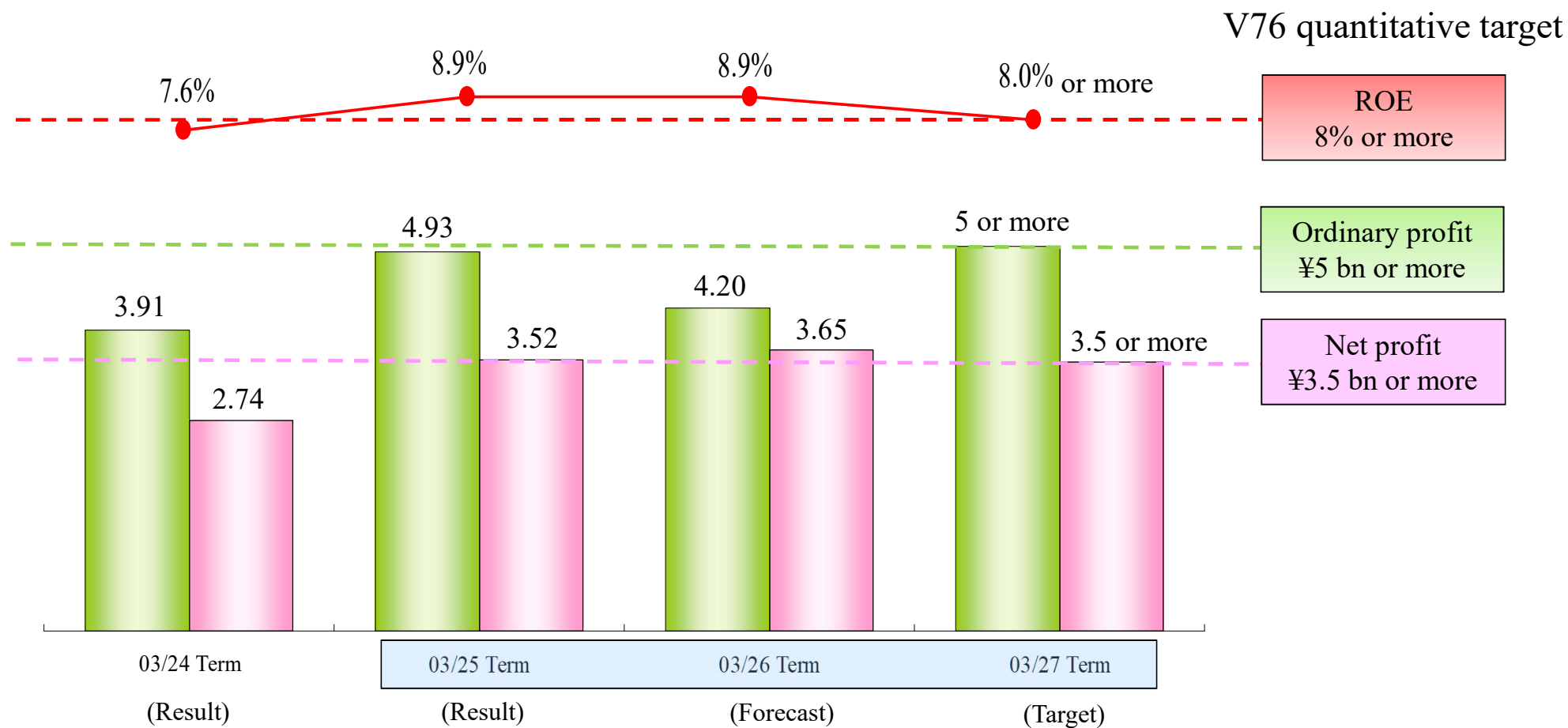
1. Business strategies to improve profitability, stability and growth
2. Financial strategy
 - (1) Optimization of capital structure for both efficiency and safety
 - (2) Improving capital efficiency to improve profitability and create cash
 - (3) Appropriate resource allocation based on capital profitability
3. Policy on return of earnings to shareholders
Continuing distribution of dividends aiming for 50% payout ratio



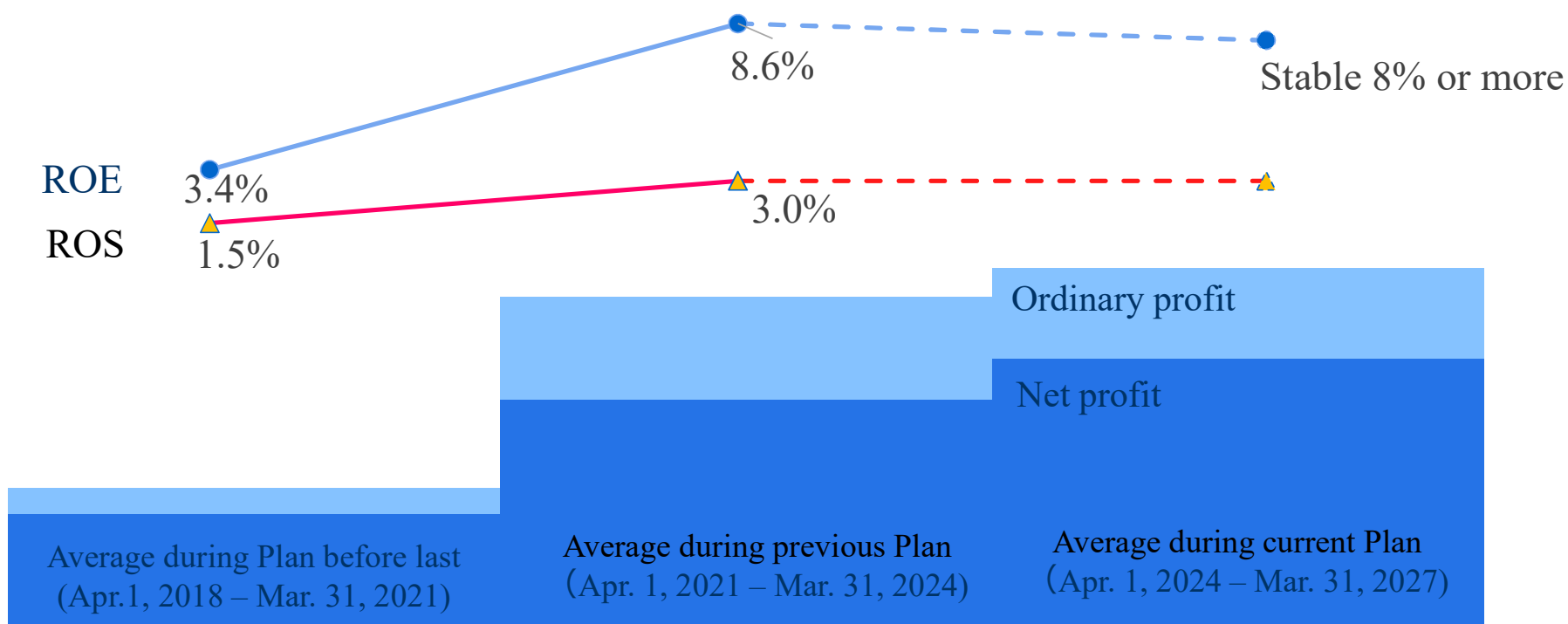
Efforts in sustainability

1. Advancement of human-capital management
 - (1) Support for career formation by leveraging the individual talents of a diverse workforce
 - (2) Proactive investment in hiring and training personnel to acquire strategic capabilities
 - (3) Improving labor productivity through advancement of DX and expanding creative activities
2. Advancing environmental management
Provision of disclosure in accordance with the TCFD Declaration and reduction of greenhouse-gas emissions
3. Strengthening of supervisory functions through the Audit & Supervisory Committee and Nomination & Remuneration Committee

Trend in Business Results for the V76 Medium-Term Management Plan



Trend in Business Results During Past Medium-Term Management Plans and Image of Current Plan



Ordinary profit	¥1.82 bn	¥4.33 bn	¥4.71 bn
Net profit	¥1.52 bn	¥3.03 bn	¥3.56 bn

Progress of Initiatives to Achieve Sustainable Business Growth and Improve Capital Efficiency

1. Business strategies to improve profitability, stability and growth (device business)

	Strategic Goal	Status of Measures
Measures to improve profitability	<ul style="list-style-type: none"> • Upgrading of organizations and systems, streamlining of administrative duties (use of sales force automation, etc.) 	<ul style="list-style-type: none"> • Implementing organizational restructuring aimed at streamlining sales promotion activities through optimal allocation of resources • Expanding the use of digital marketing • Enhancing system infrastructure to strengthen sales support
Measures to improve stability	<ul style="list-style-type: none"> • Shift of resources to strengthen sales expansion in growth markets (fields: automotive, HVAC; regions: India) • Improvement of competitiveness by strengthening value-added through technical capability and originality 	<ul style="list-style-type: none"> • Establishing a sales expansion system for mass markets • Identifying new products for the automotive market, etc., and strengthening competitiveness through high added value • Considering and implementing overseas strategies, including establishment of a base in India
Measures to improve growth capability	<ul style="list-style-type: none"> • Formation of strategic projects to create sustainable growth capability 	<ul style="list-style-type: none"> • Promoting embedded business through EMS proposals to existing customers • Advancing original solution proposals for the automotive market • Implementing measures for new businesses aimed at creating growth capability (Creating business opportunities through collaboration with external partners, etc.)

Progress of Initiatives to Achieve Sustainable Business Growth and Improve Capital Efficiency

1. Business strategies to improve profitability, stability and growth (solution business)

	Strategic Goal	Status of Measures
Measures to improve profitability	(Application) <ul style="list-style-type: none"> • Shift from scratch development to packages and services • Use of data to improve productivity (Platform) <ul style="list-style-type: none"> • Provision of value-added such as system integration, operation and maintenance 	(Application) <ul style="list-style-type: none"> • Expanding system projects through deeper customer engagement • Streamlining business processes and utilizing external resources (Platform) <ul style="list-style-type: none"> • Expanding high-performance servers and providing added value through system integration
Measures to improve stability	(Networks) <ul style="list-style-type: none"> • Support of in-house network infrastructure business with private- and public-sector customers • Continued support for advancing technology in the security field, etc. (Imaging) <ul style="list-style-type: none"> • Change of broadcasting formats, enclosure of expanding range of cases for video applications 	(Networks) <ul style="list-style-type: none"> • Enhancing project management and strengthening proposals from the upstream phase • Implementing initiatives to adopt new technologies in the security field • Providing comprehensive services from design and construction to operation and maintenance (Imaging) <ul style="list-style-type: none"> • Maintaining market share for highly competitive products and collaborating with manufacturers
Measures to improve growth capability	(Firefighting and disaster preparedness) <ul style="list-style-type: none"> • Area expansion based on growing awareness of disaster preparedness (DX, AI) <ul style="list-style-type: none"> • Creation of new businesses through partnerships with venture companies 	(Firefighting and disaster preparedness) <ul style="list-style-type: none"> • Expanding new areas for disaster prevention radio and maintaining existing parks (DX, AI) <ul style="list-style-type: none"> • Promoting new development and expanding handling of DX products

Progress of Initiatives to Achieve Sustainable Business Growth and Improve Capital Efficiency

2. Financial strategy

1) Optimization of capital structure for both efficiency and safety

- Prevent rising funding costs by maintaining a certain level of equity capital
- Improve capital efficiency by limiting excessive accumulation of equity capital

➡ Target: Equity ratio of 40% to 45%
(As of Mar. 31, 2025: 48.2%)

2) Improving capital efficiency to improve profitability and create cash

➡ Improvement of CCC
(As of Mar. 31, 2024: 118 days ⇒ As of Mar. 2025: 105 days)

<p><u>(1) Optimization of consolidated cash and deposits</u> (equivalent to 1 month of sales)</p>	<p>Cash and deposits (1) ➡</p>	<p>Accounts payable-trade (4) ⬆</p>	<p><u>(4) Increase in trade accounts payable-trade balance through deferral of payments</u></p>
<p><u>(2) Reduction of accounts receivable-trade and inventories balance</u></p> <ul style="list-style-type: none"> • Reduction of overdue accounts receivable-trade • Prevention of bad debt occurrence • Optimization of inventory levels • Reduction of slow-moving and obsolete inventory 	<p>Accounts receivable-trade (2) ⬇</p>	<p>Loans payable (5) ⬇</p>	<p><u>(5) Reduction in loans payable balance through consolidated capital efficiency</u></p>
<p><u>(3) Improvement of asset efficiency</u></p> <ul style="list-style-type: none"> • Sale of investment securities ⇒ Sold stocks of 3 companies during FY ended Mar. 2025, reducing cross-shareholdings to stocks of 14 companies • Effective use and sale of real estate ⇒ Osaka Branch to be sold in May 2025 	<p>Inventories (2) ⬇</p>	<p>Other liabilities</p>	<p><u>(6) Optimization of net assets balance through capital policy</u></p>
	<p>Investment securities (3) ⬇</p>	<p>Net assets (6) ➡</p>	<p><u>(7) Increase in profits for generating cash</u></p> <ul style="list-style-type: none"> • Securing of funds to invest in business • Promotion of human capital management • Return to shareholders
	<p>Non-current assets (3) ⬇</p>	<p>Net profit (7) ⬆</p>	
	<p>Other assets</p>	<p>Net profit</p>	

3. Shareholder return policy (improvement of PER)

1) Continue dividends with a target consolidated payout ratio of 50%

Dividend in FY ended Mar. 2025: ¥135 (consolidated payout ratio: 47.4%)

Dividend in FY ending Mar. 2026: ¥140 (consolidated payout ratio: 47.4%)

2) Increase the free-float ratio

Increase the free-float ratio through offering (Feb. 2025) (increase from approx. 35% to 50%, as estimated by our company)

*Number of offered shares: 3,106,000 (equivalent to 19% of total outstanding shares)

1. Advancement of human-capital management

1) Support for career formation by leveraging the individual talents of a diverse workforce

- Revision of treatment of employees rehired after retirement
- Launching of a woman's working group and submission of proposals to management
- Upgrading of HR system to support talent management (completion scheduled in FY ending Mar. 2026)

2) Proactive investment in hiring and training personnel to acquire strategic capabilities

- Renewal of recruitment website and disclosure of a human capital report
- Increase in base salary
- Revision of training programs and certification incentive systems

3) Improving labor productivity through advancement of DX and expanding creative activities

- Started preparations to revise training and education systems for cultivating DX human resources

2. Advancing environmental management

Continued disclosure in line with TCFD recommendations and implementation of initiatives to reduce greenhouse (GHG) emissions

- Initiate studies on the use of renewable energy
- Gradual transition to environmentally compliant vehicles

3. Strengthening of supervisory functions through the Audit & Supervisory Committee and Nomination & Remuneration Committee

- Transition to a company with an Audit & Supervisory Committee (effective June 2024)

III. Full-Year Business Forecast for the Year Ending March 31, 2026

Year Ending March 2026 Full-Year Business Forecast

(Unit: ¥100 million)

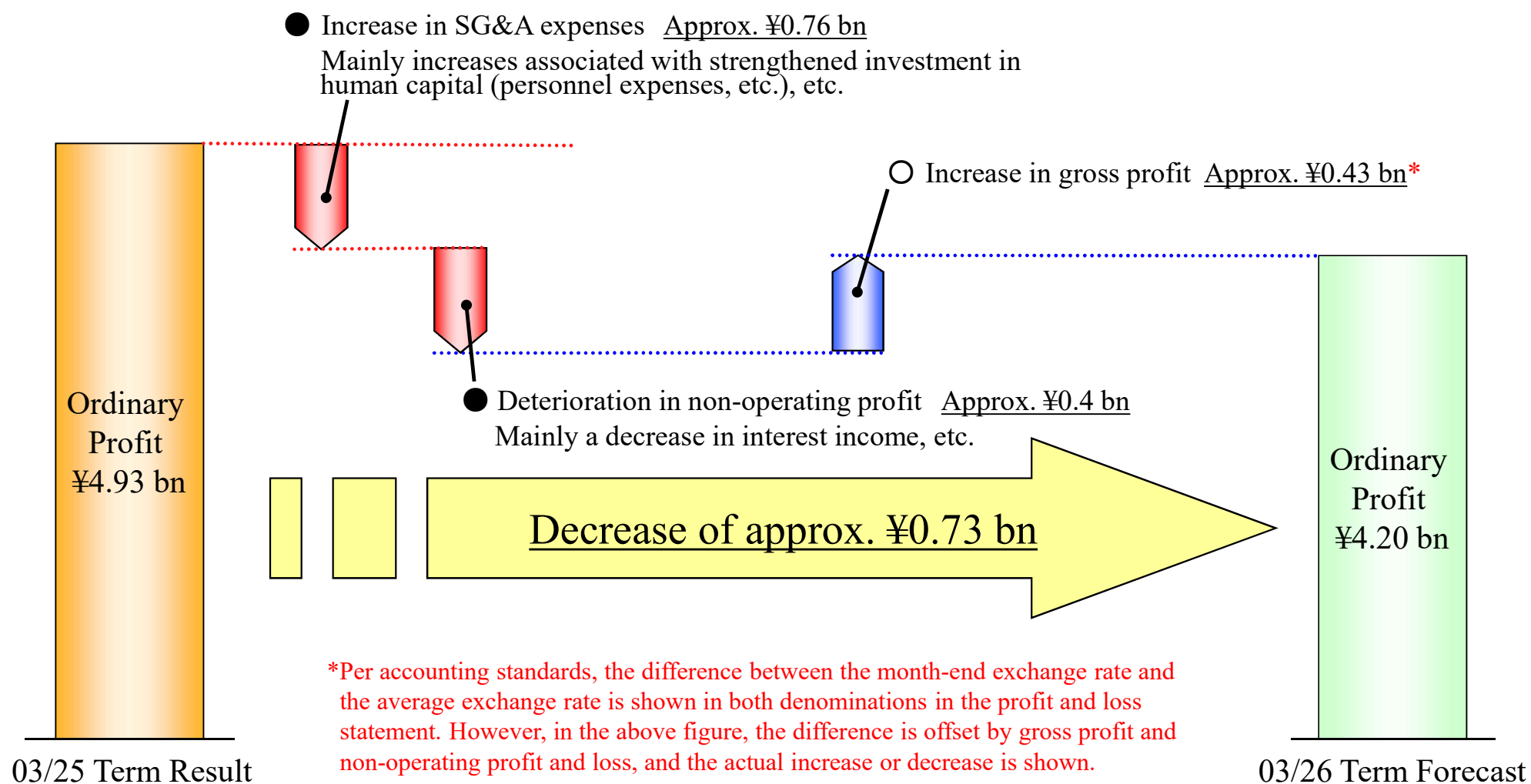


- Net sales are expected to increase YoY.
- Earnings are expected to decline YoY due to factors such as an increase in SG&A expenses; however, net profit attributable to shareholders of parent company is expected to increase due to gains from the sale of land and buildings at the Osaka Branch.

	03/22 Result	03/23 Result	03/24 Result	03/25 Result	03/26 Forecast	YoY Change
Net Sales	1,235.8	1,611.1	1,402.0	1,573.4	1,640.0	104%
Gross Profit on Sales	10.9% 135.3	10.5% 168.8	11.1% 155.5	10.5% 165.5	10.0% 163.2	99%
SG&A Expenses	7.5% 93.2	6.2% 100.3	7.0% 98.0	6.8% 107.6	7.0% 115.2	107%
Operating Profit	3.4% 42.1	4.3% 68.5	4.1% 57.5	3.7% 57.9	2.9% 48.0	83%
Ordinary Profit	2.9% 35.6	3.4% 55.1	2.8% 39.1	3.1% 49.3	2.6% 42.0	85%
Net Profit Attributable to Shareholders of Parent Company	2.0% 25.3	2.4% 38.3	2.0% 27.4	2.2% 35.2	2.2% 36.5	104%
ROE	6.8%	11.8%	7.6%	8.9%	8.9%	-0.0p
Exchange Rate (1 US dollar)	¥112.38	¥135.49	¥144.62	¥152.56	¥140.00	-¥12.56

*Figures in the YoY Change section for ROE and exchange rate represent increases or decreases.

Year Ending March 2026 Year-to-Year Comparison of Consolidated Ordinary Profit



Year Ending March 2026 Full-Year Business Forecast by Segment

(Unit: ¥100 million)



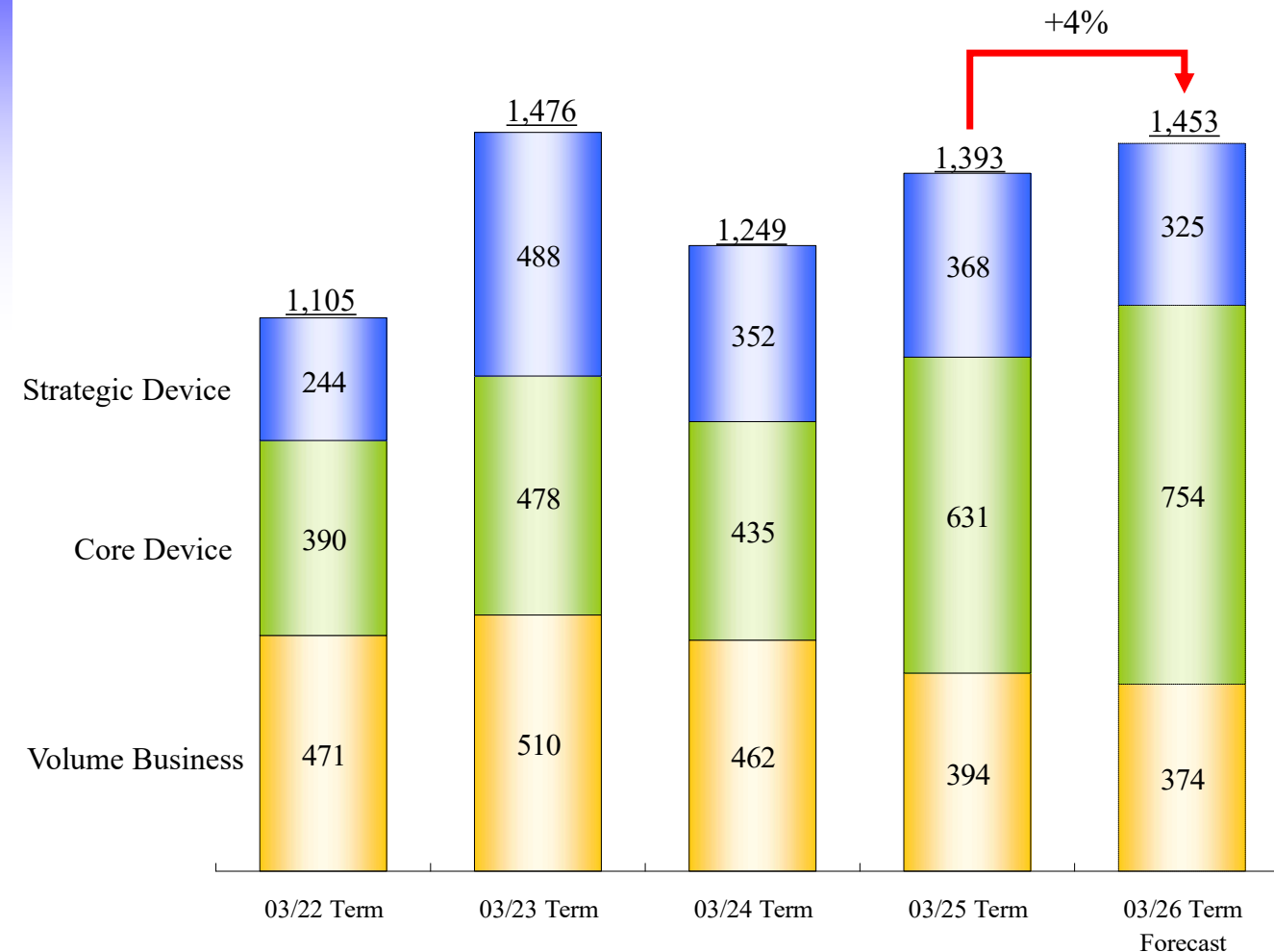
- Net sales are expected to increase YoY in both segments, propelled by business expansion into new fields in the device business and heightened firm demand for DX promotion in the solution business.
- Earnings are expected to decline YoY in both segments amid factors such as an increase in SG&A expenses.

		03/22 Result	03/23 Result	03/24 Result	03/25 Result	03/26 Forecast	YoY Change
Device Business	Net Sales	1,105.2	1,475.8	1,249.1	1,392.7	1,453.0	104%
	Operating Profit	3.6% 40.1	4.4% 65.5	3.9% 48.7	3.5% 48.3	2.8% 40.9	85%
	Segment Profit	2.0% 21.9	2.8% 41.4	1.7% 21.0	2.0% 27.7	1.5% 22.0	79%
Solution Business	Net Sales	130.6	135.3	152.9	180.7	187.0	103%
	Operating Profit	14.0% 18.3	13.2% 17.9	14.4% 22.0	14.6% 26.3	13.4% 25.0	95%
	Segment Profit	10.5% 13.7	10.1% 13.7	11.8% 18.1	12.0% 21.6	10.7% 20.0	93%
Exchange rate (1 US dollar)		¥112.38	¥135.49	¥144.62	¥152.56	¥140.00	-¥12.56

*The figure in the YoY Change section for exchange rate represents an increase or decrease.

Year Ending March 2026 Year-to-Year Comparison of Consolidated Net Sales

(Unit: ¥100 million)



By Business Category of Device Business

【Year-to-Year Comparison of Fluctuations】

■ Strategic Device (down 12% YoY)

- Decrease in overseas merchandise such as wireless merchandise/analog semiconductors

■ Core Device (up 19% YoY)

- Increase in vehicle-mounted products and entry into business in new fields

■ Volume Business (down 5% YoY)

- Decrease for mobile devices and social infrastructure

Year Ending March 2026 Year-to-Year Comparison of Consolidated Net Sales

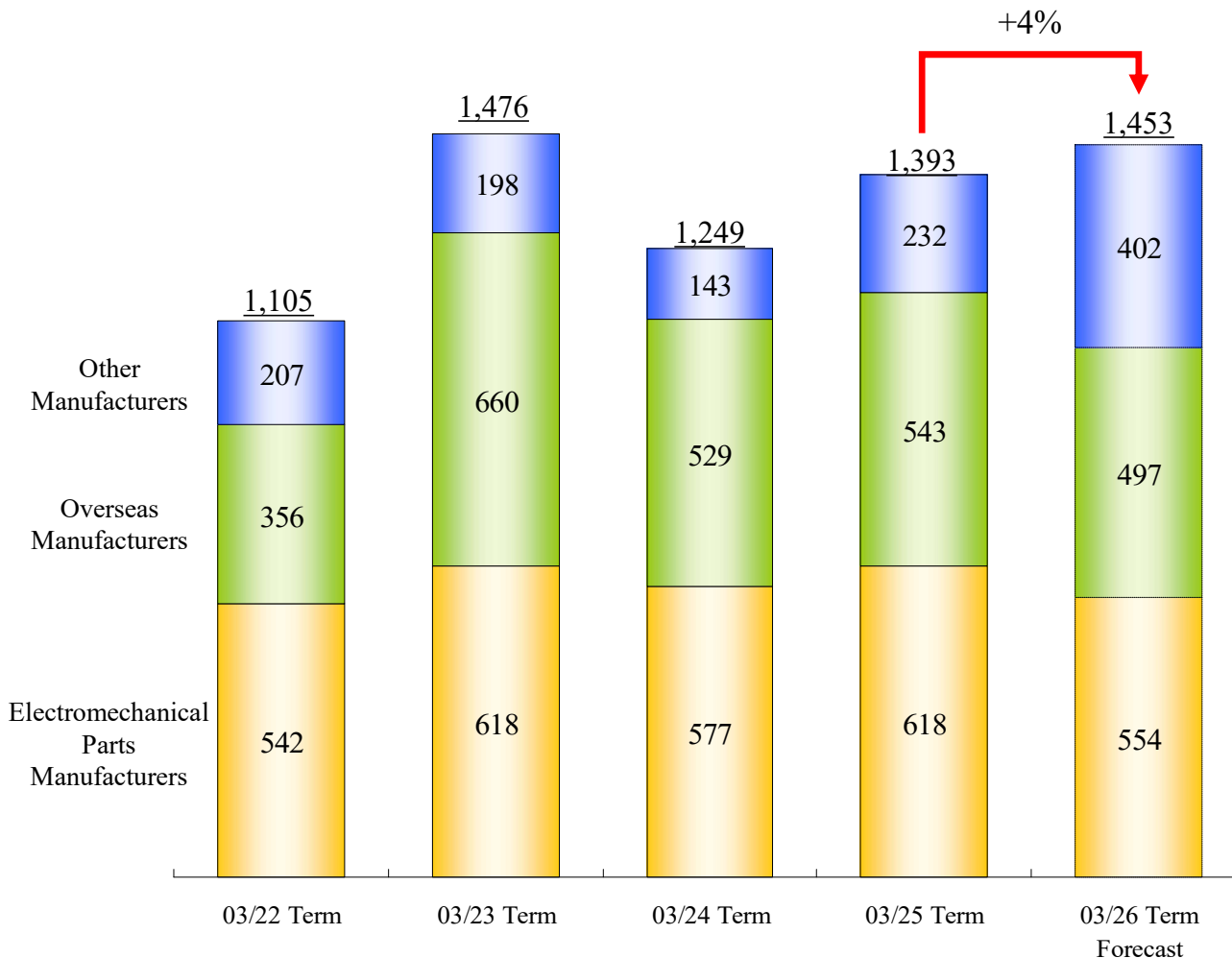
(Unit: ¥100 million)



By Supplier of Device Business

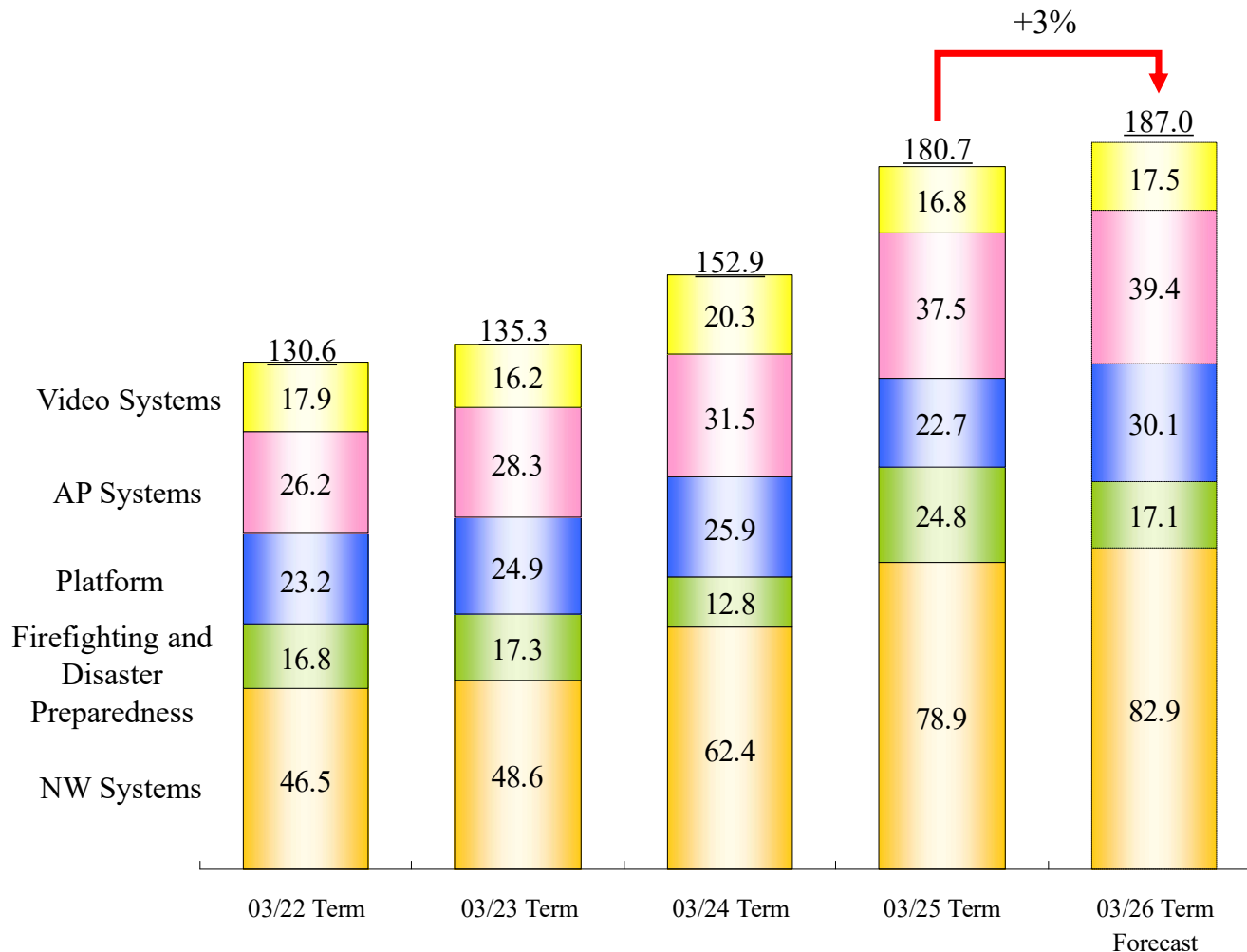
【Year-to-Year Comparison of Fluctuations】

- Other Manufacturers (up 73% YoY)
- Increase in vehicle-mounted products and entry into business in new fields
- Overseas Manufacturers (down 8% YoY)
- Decrease in wireless merchandise/analog semiconductors
- Electromechanical Parts Manufacturers (down 10% YoY)
- Overall decrease in mobile devices, etc.



Year Ending March 2026 Year-to-Year Comparison of Consolidated Net Sales

(Unit: ¥100 million)



By Sector of Solution Business

【Year-to-Year Comparison of Fluctuations】

Video Systems (up 4% YoY)

○ Recovery in demand for streaming

AP Systems (up 5% YoY)

○ Software development projects are expected to be strong.

Platform (up 33% YoY)

○ Increase in server-related sales

Firefighting and Disaster Preparedness (down 31% YoY)

● Decrease in projects for updating disaster prevention radio

NW Systems (up 5% YoY)

○ Increase due to favorable trends in networking projects for large corporations

Year Ending March 2026 Consolidated Financial Situation

(Unit: ¥100 million)



- Total assets are forecasted to reach ¥84.1 bn (same level as the previous fiscal year) due to the promotion of efficient use of funds and reduction in inventories, despite an increase in accounts receivable due to higher sales.
- As a result of the sales of assets, interest-bearing liabilities are forecasted to decrease to ¥23.5 bn (down ¥0.6 bn from the end of the previous fiscal year) for a debt-to-equity ratio of 0.56.
- Net assets are forecasted to increase ¥1.3 bn from the end of the previous fiscal year due to an increase in retained earnings, and equity ratio is forecasted to reach 49.6%.
- Reduction in inventories is expected to increase operating cash flows by ¥0.7 bn, while sales of assets is expected to increase investing cash flows by ¥0.7 bn.

1) Balance Sheet

	FY Ended Mar. 24 Result (A)	FY Ended Mar. 25 Result (B)	B-A Increase/ Decrease	FY Ending Mar. 26 Result (C)	C-B Increase/ Decrease
Cash and deposits	87.9	93.6	5.7	72.0	-21.6
Accounts receivable	344.8	406.3	61.4	430.0	23.7
Inventories	229.3	197.6	-31.7	180.0	-17.6
Other assets	126.8	143.0	16.3	158.9	15.9
Total assets	788.8	840.5	51.7	840.9	0.4
Accounts payable	133.5	155.6	22.1	153.8	-1.7
Interest-bearing liabilities	239.6	241.2	1.6	235.0	-6.2
Other liabilities	32.0	38.2	6.2	34.0	-4.2
Total net assets	383.7	405.5	21.8	418.1	12.5
Total liabilities and net assets	788.8	840.5	51.7	840.9	0.4
Equity ratio	48.5%	48.2%	-0.3%	49.6%	1.5%

2) Cash Flows

	FY Ended Mar. 24 Result	FY Ended Mar. 25 Result	FY Ending Mar. 26 Forecast
Decrease (increase) in accounts receivable-trade	59.7	-63.9	-23.7
Decrease (increase) in inventories	35.2	31.4	17.6
Increase (decrease) in accounts payable-trade	-19.8	23.3	-1.8
Other	-17.7	49.0	14.8
Operating C/F	57.4	39.8	6.9
Investing C/F	-3.6	-22.2	7.1
Financing C/F	-58.8	-11.1	-27.6
Foreign currency conversion adjustments	4.1	-0.8	-8.0
Increase (decrease) in cash and deposits	-1.0	5.7	-21.6
Balance of cash and deposits at term-end	87.9	93.6	72.0

Year Ending March 2026 Return to Shareholders

● Policy on Distribution of Profits

The Company considers profit returns to its shareholders as one of the most important management issues. The Company's basic policy is to determine dividends by comprehensively considering the need to maintain a balance between rewarding of shareholders, investment to gain opportunities for growth, attainment of sufficient retained earnings to enable sustainable growth, and improvement in capital efficiency. Under this policy, the Company has set a target for its dividend payout ratio of around 50% on a consolidated basis.

● Dividend Forecast for the Year Ending March 31, 2026

An annual dividend of ¥140 per share (midterm dividend of ¥40, term-end dividend of ¥100); consolidated dividend payout ratio of 47.4%

		03/22 Result	03/23 Result	03/24 Result	03/25 Result	03/26 Forecast	YoY Change
Annual Dividend Per Share	Ordinary Dividend	¥80	¥135	¥105	¥135	¥140	+¥5.00
	Commemorative Dividend	¥20	—	—	—	—	—
	Total	¥100	¥135	¥105	¥135	¥140	+¥5.00
Payout Ratio		48.8%	43.5%	47.3%	47.4%	47.4%	+0.0P

*Figures in the YoY Change section represent increases or decreases in amount.

Change in Return to Shareholders

	03/21 Term Result	03/22 Term Result	03/23 Term Result	03/24 Term Results	03/25 Term Results	03/26 Term Forecast
(1) Consolidated net profit	¥1,646 million	¥2,525 million	¥3,833 million	¥2,740 million	¥3,522 million	¥3,650 million
(2) Comprehensive profit	¥2,393 million	¥4,204 million	¥4,788 million	¥5,831 million	¥3,366 million	—
(3) Consolidated equity ratio	51.0%	42.1%	43.5%	48.5%	48.2%	49.6%
(4) Total dividends (Dividend per share)	¥773 million (¥40)	¥1,232 million (¥100)	¥1,666 million (¥135)	¥1,297 million (¥105)	¥1,667 million (¥135)	¥1,730 million (¥140)
(5) Consolidated payout ratio	46.9%	48.8%	43.5%	47.3%	47.4%	47.4%
(6) Value of treasury stock acquired (Number of shares acquired)	-	¥15.74 billion (7 million shares)	—	—	—	Suspense
(7) Total payout ratio ((4)+(6)) ÷ 1	46.9%	672.3%	43.5%	47.3%	47.4%	Suspense
(8) Cancellation of treasury stock	-	8,000 thousand shares	—	—	—	Suspense
(9) Total number of shares issued (excluding treasury stock) at fiscal year end	24,281 thousand shares (19,183 thousand shares)	16,281 thousand shares (12,183 thousand shares)	16,281 thousand shares (12,192 thousand shares)	16,281 thousand shares (12,203 thousand shares)	16,281 thousand shares (12,231 thousand shares)	Suspense
(10) Net profit per share	¥85.82	¥171.12	¥314.43	¥224.66	¥288.20	¥298.42
(11) Net assets per share	¥2,249.40	¥2,514.04	¥2,803.65	¥3,138.10	¥3,310.15	¥3,418.12

*1) Total dividends include the dividend amount for shares held by trusts related to the performance-based stock compensation plan for directors (excluding external directors).

The result for 03/22 term includes the commemorative dividend ¥20 per share.

2) Net profit per share is calculated based on the average number of issued shares (excluding treasury stock) during the period.

3) Net assets per share is calculated based on the total number of shares issued (excluding treasury stock) at fiscal year end.

4) The forecast for net profit per share and net assets per share for 03/26 term is calculated based on the total number of shares issued (excluding treasury stock) as of March 31, 2025.



TRUST

Business cannot
succeed without trust.
It begins and ends
with trust.



PRINCIPLES

Do not just pursue profit.
But act based on
principles, which can be
realized through self-
discipline.



SINCERITY

Always act sincerely.
Rise to the challenge
head-on.

Note on Handling of These Materials

Forecasts of business results and other forward-looking statements included in these materials are predictions based on the information available at time of publication and shall not be interpreted as constituting any promise or guarantee of achievement whatsoever. Actual business results may differ significantly from forecasts due to a wide range of factors. The main important factors that can impact actual business results are as follows.

- Economic conditions and consumer trends in Japan, North America, Asia ex-Japan, etc.
- Production trends, product development, etc. at purchasers
- Supply conditions and product development, etc. at suppliers
- Price declines due to intensification of competition
- Major fluctuations in exchange rates, etc.