



August 6, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 8150
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	40,394	15.6	936	(25.4)	715	(18.2)	920	73.6
June 30, 2024	34,957	5.9	1,255	28.4	874	58.3	530	189.9

Note: Comprehensive income For the three months ended June 30, 2025: ¥547 million [(71.9)%]
 For the three months ended June 30, 2024: ¥1,950 million [2.7%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	75.24	-
June 30, 2024	43.45	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	79,999	39,801	49.7
March 31, 2025	84,049	40,551	48.2

Reference: Equity
 As of June 30, 2025: ¥39,734 million
 As of March 31, 2025: ¥40,485 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	30.00	-	105.00	135.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		40.00	-	100.00	140.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	79,900	6.3	1,500	(32.7)	1,200	(37.6)	1,550	14.2	126.73
Fiscal year ending March 31, 2026	164,000	4.2	4,800	(17.1)	4,200	(14.9)	3,650	3.6	298.43

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	16,281,373 shares
As of March 31, 2025	16,281,373 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2025	4,050,705 shares
As of March 31, 2025	4,050,682 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	12,230,677 shares
Three months ended June 30, 2024	12,203,387 shares

Note: The number of treasury shares at the end of the fiscal year includes directors (excluding directors who are members of the Audit and Supervisory Committee and outside directors). The Company's shares (123,800 shares in the first quarter of the fiscal year ending March 31, 2026 and 123,800 shares in the fiscal year ending March 31, 2025) held by the trust related to the performance-linked stock-based compensation plan. In addition, the Company's shares held by the Trust are included in the treasury stock deducted in the calculation of the average number of shares during the period (123,800 shares in the first quarter of the fiscal year ending March 31, 2026 and 151,200 shares in the first quarter of the fiscal year ending March 31, 2025).

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as earnings forecasts, contained in this material are forward-looking statements based on information available at the time of publication, and are not intended to be a promise by the Company to realize them. In addition, actual results may differ from forecasts due to various factors. Matters related to earnings forecasts are referred to in Appendix P.3 "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

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1. Overview of Business Results

The items related to the future contained in this document are decisions made based on present consolidated financial results as of June 30, 2025.

(1) Overview of Business Results for the First Quarter of the Fiscal Year Ending March 31, 2026

In the consolidated first quarter under review, the outlook for the global economy remained uncertain due to ongoing uncertainty surrounding reciprocal tariff policies implemented by the United States and persistent geopolitical risks. In the electronics industry, which is the Group's domain of operations, demand for next-generation technologies such as AI continued to drive growth in the semiconductor market. The ICT industry in Japan enjoyed continued strong demand for system upgrades aimed at improving productivity and operational efficiency within companies.

Against this background, the Group is fully committed to tackling the key challenges outlined in the long-term vision announced on May 10, 2024. As the first phase of implementing this vision, we have formulated the V76 Medium-Term Management Plan, whose final year is the fiscal year ending March 31, 2027 (the 76th term). Under this plan, to build an operating structure that can consistently achieve ROE of 8% or better, the Group is targeting ordinary profit of ¥5,000 million and net profit of ¥3,500 million or more by the final year of V76. We are focusing on initiatives to drive sustainable business growth, improve capital efficiency, and promote sustainability efforts.

As a result of these efforts, business performance in the consolidated first quarter under review (the beginning of the second year of the V76 Medium-Term Management Plan) was as follows: Although net sales were ¥40,394 million (up 15.6% year-on-year), due to factors such as a decrease in gross profit margin and an increase in SG&A expenses, operating profit was ¥936 million (down 25.4% year-on-year) and ordinary profit was ¥715 million (down 18.2% year-on-year). Profit attributable to owners of parent was ¥920 million (up 73.6% year-on-year) due to recording of extraordinary profits (gain on sales of non-current assets) associated with the transfer of land and buildings of the Osaka Branch.

The operating results for each business segment are as follows:

Device segment

In the Device segment, our leading products are semiconductors (including system LSIs, microcomputers, power semiconductors, LCD driver ICs and memory) and electronic components (including connectors, capacitors, LCD panels and modules). These products are sold mainly to electronics manufacturers. We also provide technical support such as software development and module development.

In the consolidated first quarter under review, net sales were ¥37,238 million (up 18.0% year-on-year) despite appreciation of the yen compared to the same period of the previous fiscal year. On the other hand, segment profit was ¥562 million (down 25.2% year-on-year) due to factors such as a decrease in gross profit margin associated with changes in the sales structure and an increase in SG&A expenses.

Solution segment

In the Solution segment, we provide one-stop services spanning from design and construction to operation and maintenance of network devices and security products that utilize ICT in accordance with our customers' environments. In addition, we provide Line-of-Business systems such as sales and production management, and applications such as personnel, payroll, and accounting in various formats ranging from on premise to the cloud.

In the consolidated first quarter under review, net sales were ¥3,156 million (down 6.9% year-on-year) due in large part to a reactionary decline in the Network Systems Business Unit (Network Systems BU), which had experienced soaring sales in the same period of the previous fiscal year, despite overall strong sales in other business units. On the other hand, segment profit was ¥153 million (up 24.6% year-on-year), propelled by an increase in the gross profit margin despite an increase in SG&A expenses.

(2) Overview of Financial Position for the First Quarter of the Fiscal Year Ending March 31, 2026

(Assets)

As of June 30, 2025, assets decreased ¥4,049 million compared with March 31, 2025, to ¥79,999 million. This was mainly attributable to a ¥2,951 million decrease in consumption taxes refund receivable, a ¥1,977 million decrease in notes and accounts receivable-trade, a ¥1,180 million decrease in cash and deposits, and a ¥1,642 million increase in merchandise inventories.

(Liabilities)

As of June 30, 2025, liabilities decreased ¥3,299 million compared with March 31, 2025, to ¥40,198 million. This was mainly attributable to a ¥5,281 million decrease in short-term loans payable and a ¥1,604 million increase in notes and accounts payable-trade.

(Net Assets)

As of June 30, 2025, net assets decreased ¥749 million compared with March 31, 2025, to ¥39,801 million. This was mainly attributable to a ¥588 million decrease in foreign currency translation adjustment and a ¥377 million decrease in retained earnings.

(3) Explanation of Forecasts for Consolidated Business Performance and Other Future Prospects

In regard to the forecasts of consolidated business performance and dividends for the full fiscal year and the first half of the fiscal year ending March 31, 2026, we have not revised the forecast figures set forth in the Consolidated Financial Results for Fiscal Year Ended March 31, 2025, released on May 13, 2025.

2. Quarterly Consolidated Financial Statements and Main Notes
(1) Quarterly consolidated balance sheet

(in millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	9,361	8,180
Notes and accounts receivable - trade, and contract assets	38,533	36,282
Electronically recorded monetary claims - operating	2,095	2,369
Merchandise	19,750	21,393
Partly-finished work	5	24
Other	5,161	2,335
Allowance for doubtful accounts	(29)	(33)
Total current assets	74,878	70,553
Non-current assets		
Property, plant and equipment	6,067	5,957
Intangible assets	247	271
Investments and other assets		
Retirement benefit asset	353	357
Other	2,512	2,870
Allowance for doubtful accounts	(10)	(10)
Total investments and other assets	2,854	3,217
Total non-current assets	9,170	9,446
Total assets	84,049	79,999
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,558	17,162
Short-term borrowings	24,121	18,839
Income taxes payable	846	709
Provisions	675	309
Other	1,567	2,146
Total current liabilities	42,768	39,168
Non-current liabilities		
Other	729	1,030
Total non-current liabilities	729	1,030
Total liabilities	43,497	40,198

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	14,811	14,811
Capital surplus	16	16
Retained earnings	28,553	28,176
Treasury shares	(8,712)	(8,712)
Total shareholders' equity	34,668	34,291
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,038	1,289
Deferred gains or losses on hedges	26	(11)
Foreign currency translation adjustment	4,536	3,948
Remeasurements of defined benefit plans	215	216
Total accumulated other comprehensive income	5,816	5,443
Non-controlling interests	65	66
Total net assets	40,551	39,801
Total liabilities and net assets	84,049	79,999

Quarterly consolidated statement of income

(in millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	34,957	40,394
Cost of sales	31,171	36,712
Gross profit	3,785	3,682
Selling, general and administrative expenses	2,530	2,746
Operating profit	1,255	936
Non-operating income		
Interest income	47	45
Dividend income	16	16
Other	9	37
Total non-operating income	73	100
Non-operating expenses		
Interest expenses	140	126
Foreign exchange losses	299	186
Other	14	7
Total non-operating expenses	454	320
Ordinary profit	874	715
Extraordinary income		
Gain on sale of non-current assets	-	1,082
Gain on sale of investment securities	73	-
Gain on extinguishment of tie-in shares	8	-
Total extraordinary income	81	1,082
Extraordinary losses		
Loss on retirement of non-current assets	-	0
Loss on sale of investment securities	70	-
Loss due to bank transfer fraud at overseas subsidiary	-	256
Total extraordinary losses	70	256
Profit before income taxes	885	1,541
Income taxes - current	216	461
Income taxes - deferred	145	159
Total income taxes	361	620
Profit	523	920
Profit (loss) attributable to non-controlling interests	(6)	0
Profit attributable to owners of parent	530	920

Quarterly consolidated statement of comprehensive income

(in millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	523	920
Other comprehensive income		
Valuation difference on available-for-sale securities	109	250
Deferred gains or losses on hedges	(83)	(37)
Foreign currency translation adjustment	1,402	(588)
Remeasurements of defined benefit plans, net of tax	(1)	1
Total other comprehensive income	1,427	(373)
Comprehensive income	1,950	547
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,957	546
Comprehensive income attributable to non-controlling interests	(6)	0

(3) Notes on Quarterly Consolidated Financial Statements**(Notes on segment information, etc.)**

Segment Information

I. the three months of the previous fiscal year (April 1, 2024 to June 30, 2024)

Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Device segment	Solution segment	Total
Sales			
Revenues from external customers	31,567	3,389	34,957
Transactions with other segments	-	-	-
Total	31,567	3,389	34,957
Segment Profit	751	122	874

Note: Segment Profit is consistent with ordinary income in the quarterly consolidated statements of income.

II. the three months of the current fiscal year (April 1, 2025 to June 30, 2025)

Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Device segment	Solution segment	Total
Sales			
Revenues from external customers	37,238	3,156	40,394
Transactions with other segments	-	-	-
Total	37,238	3,156	40,394
Segment Profit	562	153	715

Note: Segment Profit is consistent with ordinary income in the quarterly consolidated statements of income.

(Notes Regarding Remarkable Change of Shareholders' Equity)

None.

(Notes Regarding Going Concern)

None.

(Notes Regarding Quarterly Consolidated Statement of Cash Flows)

The Company has not prepared a quarterly consolidated statement of cash flows for the consolidated first quarter under review. Depreciation and amortization (including amortization of intangible assets other than goodwill) and amortization of goodwill in the consolidated first quarter are as follows.

	1Q March 2025 Term (Apr. 1, 2024 – Jun. 30, 2024)	1Q March 2026 Term (Apr. 1, 2025 – Jun. 30, 2025)
Depreciation and amortization	¥77 million	¥62 million
Amortization of goodwill	¥6 million	¥6 million

(Notes Regarding Revenue Recognition)

(Breakdown of revenue generated from contracts with customers)

(in millions of yen)

Report segment	1Q March 2025 Term (Apr. 1, 2024 – Jun. 30, 2024)	1Q March 2026 Term (Apr. 1, 2025 – Jun. 30, 2025)
Device segment		
By type of supplier		
Mechanical parts manufacturers	14,056	15,639
Overseas manufacturers	13,534	14,290
Other manufacturers	3,976	7,308
Subtotal	31,567	37,238
Solution segment		
By business unit (BU)		
Network Systems BU	1,966	1,163
Firefighting and Disaster Preparedness BU	17	41
Platform BU	544	812
Application Systems BU	494	767
Imaging Systems BU	367	370
Subtotal	3,389	3,156
Total	34,957	40,394