

Note: This document has been translated from 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.



## Consolidated Financial Results for the 3 Months Ended June 30, 2025 (Based on Japanese GAAP)

July 31, 2025

Company name: Socionext Inc. Stock exchange listing: Tokyo  
Code number: 6526 URL: <https://www.socionext.com/en/>  
Representative: Masahiro Koezuka, Representative Director, Chairman and CEO  
Contact person: Hiromasa Nakajima, General Manager, Public Relations & Investor Tel: +81-45-568-1000  
Relations Office  
Scheduled dividend payment date: -  
Supplementary material: Yes  
Financial results presentation: Yes (for institutional investors and analysts)

(Monetary amounts are rounded to the nearest millions of yen)

### 1. Consolidated financial results for the 3 months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

#### (1) Consolidated financial results (Percentage represents change from the same period of the previous fiscal year)

|                              | Net sales       |        | Operating income |        | Ordinary income |        | Profit attributable to owners of parent |        |
|------------------------------|-----------------|--------|------------------|--------|-----------------|--------|---|--------|
|                              | millions of yen | %      | millions of yen  | %      | millions of yen | %      | millions of yen                         | %      |
| 3 months ended June 30, 2025 | 34,553          | (34.5) | 1,440            | (86.0) | 717             | (93.4) | 461                                     | (93.9) |
| June 30, 2024                | 52,783          | (14.1) | 10,265           | 1.5    | 10,808          | (2.7)  | 7,574                                   | (4.8)  |

Note:

Comprehensive income: 3 months ended June 30, 2025: 310 million yen [(96.2) %]  
3 months ended June 30, 2024: 8,222 million yen [( 5.9) %]

|                              | Basic earnings per share | Diluted earnings per share |
|------------------------------|--------------------------|----------------------------|
|                              | yen                      | yen                        |
| 3 months ended June 30, 2025 | 2.61                     | 2.60                       |
| June 30, 2024                | 42.33                    | 41.83                      |

#### (2) Consolidated financial position

|                     | Total assets    | Net assets      | Shareholders' equity ratio |
|---------------------|-----------------|-----------------|----------------------------|
|                     | millions of yen | millions of yen | %                          |
| As of June 30, 2025 | 158,136         | 128,062         | 80.9                       |
| March 31, 2025      | 170,312         | 137,046         | 80.5                       |

Reference: Shareholder's equity: As of June 30, 2025: 127,922 million yen As of March 31, 2025: 137,046 million yen

### 2. Dividends per share

|                           | Annual dividends |                 |                 |          |       |
|---------------------------|------------------|-----------------|-----------------|----------|-------|
|                           | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| Year ended/ending         | yen              | yen             | yen             | yen      | yen   |
| March 31, 2025            | -                | 25.00           | -               | 25.00    | 50.00 |
| March 31, 2026            | -                |                 |                 |          |       |
| March 31, 2026 (Forecast) |                  | 25.00           | -               | 25.00    | 50.00 |

Note: Revision of the latest dividends forecast: No

3. Consolidated earnings forecast for the fiscal year ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(Percentage represents change from the same period of the previous fiscal year)

|                            | Net sales       |       | Operating income |        | Ordinary income |        | Profit attributable to owners of parent |        | Basic earnings per share |
|----------------------------|-----------------|-------|------------------|--------|-----------------|--------|---|--------|--------------------------|
|                            | millions of yen | %     | millions of yen  | %      | millions of yen | %      | millions of yen                         | %      | yen                      |
| Year ending March 31, 2026 | 175,000         | (7.2) | 14,000           | (44.0) | 14,000          | (44.3) | 10,500                                  | (46.4) | 59.83                    |

Note: Revision of the latest consolidated earnings forecast: No

※ Notes

(1) Significant changes in the scope of consolidation during the current reporting period: No

(2) Application of special accounting methods for quarterly consolidated financial statements: No

(3) Changes in accounting policies, accounting estimates and retrospective restatements for consolidated financial statements

- ① Changes in accounting policies due to revisions of the accounting standards and other regulations: No
- ② Changes arising from factors other than ①: No
- ③ Changes in accounting estimates: No
- ④ Retrospective restatements: No

(4) Number of issued shares (Common stock)

|   |                                 |             |                                 |             |
|---|---------------------------------|-------------|---------------------------------|-------------|
| ① Number of shares issued at the end of the period (including treasury stock) | As of<br>June 30, 2025          | 179,874,355 | As of<br>March 31, 2025         | 179,756,405 |
| ② Number of treasury stock held at the end of the period                      | As of<br>June 30, 2025          | 4,739,827   | As of<br>March 31, 2025         | 2,017,427   |
| ③ Average number of shares during the period                                  | 3 months ended<br>June 30, 2025 | 176,530,815 | 3 months ended<br>June 30, 2024 | 178,924,151 |

※ Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

※ Explanation of the proper use of earnings forecast and other special notes

These materials may contain forward-looking statements that are based on management's current information, actual results may differ materially from these forward-looking statements for various reasons. For information regarding the assumptions used to prepare the forecast and cautionary note of the forecast, please refer to "1. Overview of operating results (3) Consolidated earnings forecast and other forward-looking information" on page 3 for more details.

## Attachment contents

|  |   |
|--|---|
| 1. Overview of operating results.....  | 2 |
| (1) Overview of operating results for the 3 months ended June 30, 2025.....    | 2 |
| (2) Overview of financial position for the 3 months ended June 30, 2025 .....  | 2 |
| (3) Consolidated earnings forecast and other forward-looking information.....  | 3 |
| 2. Quarterly consolidated financial statements and principal notes.....        | 4 |
| (1) Quarterly consolidated balance sheets .....                                | 4 |
| (2) Quarterly consolidated statements of income and comprehensive income ..... | 6 |
| Quarterly consolidated statements of income.....                               | 6 |
| Quarterly consolidated statements of comprehensive income .....                | 7 |
| (3) Quarterly consolidated statements of cash flows .....                      | 8 |
| (4) Notes to quarterly consolidated financial statements.....                  | 9 |
| Segment information.....   | 9 |
| Significant changes in shareholders' equity .....                              | 9 |
| Assumptions of a going concern.....  | 9 |
| Subsequent Events.....   | 9 |

## 1. Overview of operating results

The Group (“the Group”, “the Company”, “we” and “our” refer to Socionext Inc., and its consolidated subsidiaries, or Socionext Inc. on a non-consolidated basis, as the context may require) has been acquiring more design wins in its focus areas including automotive, data center & networking and smart devices. This success is due to the transformation of the business model, shift of focus areas to high-growth and cutting-edge business areas where more global large-scale businesses are expected, as well as structural reform including bold transformation in business structure. The acquired design wins have been progressing smoothly, contributing to NRE revenue, and are gradually entering the mass production stage, steadily leading to product revenue.

To utilize the latest advanced technologies in the evolving ecosystem, we closely collaborate with partners including Arm and TSMC, and actively invest in advanced technologies including 2nm and finer process nodes, advanced packaging technologies such as chiplet, application of latest EDA tools, as well as building of development platform.

The Group has a single segment primarily of SoC developed with the “solution SoC” business model.

### (1) Overview of operating results for the 3 months ended June 30, 2025

The global economy has continued to experience uncertainty during the 3 months ended June 30, 2025, due to geopolitical risks including the military conflicts in Ukraine and the Middle East, increasing unpredictability surrounding U.S. tariffs and economic policy, as well as stagnant domestic demand in China. Furthermore, concerns over a potential U.S. economic slowdown and fiscal deterioration, as well as expectations of interest rate cuts, have resulted in the appreciation of the Japanese yen.

The consolidated net sales for the 3 months ended June 30, 2025 were 34,553 million yen, a decrease of 34.5% from the 3 months ended June 30, 2024. Our net sales consist of product revenue from the applicable products which entered the mass production stage and NRE revenue received from customers based on costs incurred in scheduled milestones during the design and development process. Product revenue was 25,879 million yen, decreased by 38.8% compared to the 3 months ended June 30, 2024. The decrease was due mainly to the decline in demand related to telecommunications and industrial equipment in Chinese market of data center & networking area, prolonged inventory adjustments requested by some customers from last fiscal year ended March 31, 2025, in addition to the appreciation of the Japanese yen. NRE revenue was 8,458 million yen, a decrease of 18.0% from the 3 months ended June 30, 2024, due to ongoing development projects of acquired design wins in data center & networking, automotive and high-end cameras areas.

| [Net sales]                              |                                 | (millions of yen)               |
|--|---------------------------------|---------------------------------|
|  | 3 months<br>ended June 30, 2024 | 3 months<br>ended June 30, 2025 |
| Semiconductor products (product revenue) | 42,289                          | 25,789                          |
| Non-recurring engineering (NRE revenue)  | 10,313                          | 8,458                           |
| Others                                   | 181                             | 216                             |
| Total                                    | 52,783                          | 34,553                          |

Cost of sales was 14,400 million yen, a decrease of 37.2% from the 3 months ended June 30, 2024. Selling, general and administrative expenses were 18,713 million yen, only decreased by 4.4% from the 3 months ended June 30, 2024, due to increasing development projects using advanced process technologies. Operating income was 1,440 million yen, a decrease of 86.0% from the 3 months ended June 30, 2024. Ordinary income was 717 million yen, decreased by 93.4% from the 3 months ended June 30, 2024, due mainly to foreign exchange loss related with the appreciation of the Japanese yen. Profit attributable to owners of parent was 461 million yen, decreased by 93.9% from the 3 months ended June 30, 2024.

The Japanese yen/U.S. dollar average exchange rate for the 3 months ended June 30, 2025 was 144.6 yen to the U.S. dollar, an appreciation of 11.3 yen compared to the 3 months ended June 30, 2024.

### (2) Overview of financial position for the 3 months ended June 30, 2025

#### ① Assets, liabilities and net assets

##### (Assets)

Current assets as of June 30, 2025 was 115,740 million yen, decreased by 10,550 million yen from the end of the previous fiscal year ended March 31, 2025. This is mainly due to the decrease in accounts receivable-trade in accordance with decreased net sales, as well as the decrease in cash and cash equivalents.

Non-current assets as of June 30, 2025 was 42,396 million yen, decreased by 1,626 million yen from the end of the previous fiscal

year. This is due mainly to the capital investment including the acquisition of reticles and test boards in connection with product development of acquired design wins, the improvement of design and development environment, the acquisition of IP, etc. and the depreciation expenses.

As a result, total assets as of June 30, 2025 was 158,136 million yen, decreased by 12,176 million yen from the end of the previous fiscal year.

(Liabilities)

Current liabilities as of June 30, 2025 was 28,150 million yen, decreased by 3,121 million yen from the end of the previous fiscal year. This is due mainly to factors such as the decrease of income taxes payable related with the payment of income taxes.

As a result, total liabilities as of June 30, 2025 was 30,074 million yen, decreased by 3,192 million yen from the end of the previous fiscal year.

(Net assets)

Net assets as of June 30, 2025 was 128,062 million yen, decreased by 8,984 million yen from the end of the previous fiscal year. This is due mainly to 461 million yen in profit attributable to owners of parent for 3 months ended June 30, 2025, the payment of dividends of 4,443 million yen and purchase of treasury stock of 5,000 million yen (sum of 2,722,400 shares).

As a result, the shareholders' equity ratio has been 80.9%, increased by 0.4 percent points from the end of the previous fiscal year.

② Cash flows

Cash and cash equivalents as of June 30, 2025 was 69,531 million yen, decreased by 3,306 million yen from the end of the previous fiscal year.

Net cash provided by operating activities was 10,031 million yen for the 3 months ended June 30, 2025, compared to 4,560 million yen provided for the 3 months ended June 30, 2024. This is due mainly to profit before income taxes of 717 million yen, depreciation of 3,901 million yen, decrease in account receivables of 8,925 million yen as well as the payment of income taxes of 2,877 million yen.

Net cash used in investing activities was 3,472 million yen for the 3 months ended June 30, 2025, compared to 1,622 million yen used for the 3 months ended June 30, 2024. This is due mainly to the purchases of 2,264 million yen of property, plant and equipment including reticles and test boards for product development for the acquired design wins, as well as those for improving the design and development environment, and the purchases of 1,204 million yen of intangible assets including IP.

Net cash used in financing activities was 9,543 million yen, compared to 4,468 million yen used for the 3 months ended June 30, 2024, and this is due to purchase of treasury stock of 5,000 million yen and payment of the dividends of 4,443 million yen.

Besides, in response to increasing working capital related with customer demand, as well as to address global economic slowdown and geopolitical risks, the Company entered an additional commitment line agreement of 10,000 million yen, effective from July 2025, in addition to existing commitment agreements of 20,000 million yen. As of June 30, 2025, the commitment lines of total 30,000 million yen were unused.

(3) Consolidated earnings forecast and other forward-looking information

The forecast for the consolidated earnings for the current fiscal year ending March 31, 2026 remains the same as the announcement in "Consolidated Financial Results for the Fiscal Year Ended March 31, 2025" on April 28, 2025. The exchange rate for the fiscal year ending March 31, 2026 is assumed to be 130 yen to the U.S. dollar.

## 2. Quarterly consolidated financial statements and principal notes

### (1) Quarterly consolidated balance sheets

(Millions of yen)

|  | As of March 31, 2025 | As of June 30, 2025 |
|--|----------------------|---------------------|
| <b>Assets</b>                          |                      |                     |
| Current assets                         |                      |                     |
| Cash on hand and in banks              | 72,837               | 64,531              |
| Accounts receivable-trade, net         | 31,609               | 22,228              |
| Securities                             | -                    | 5,000               |
| Finished goods                         | 6,388                | 5,231               |
| Work in process                        | 10,650               | 12,848              |
| Accounts receivable-other              | 866                  | 886                 |
| Advance payments to suppliers          | 2,108                | 2,661               |
| Prepaid expenses                       | 1,800                | 2,178               |
| Other current assets                   | 32                   | 177                 |
| Total current assets                   | 126,290              | 115,740             |
| Non-current assets                     |                      |                     |
| Property, plant and equipment          |                      |                     |
| Buildings and structures, net          | 2,462                | 2,407               |
| Machinery, equipment and vehicles, net | 65                   | 98                  |
| Tools, furniture and fixtures, net     | 19,667               | 20,050              |
| Construction in progress               | 144                  | 203                 |
| Total property, plant and equipment    | 22,338               | 22,758              |
| Intangible assets                      |                      |                     |
| Technology assets                      | 12,373               | 10,540              |
| Other intangible assets                | 2,035                | 1,975               |
| Total intangible assets                | 14,408               | 12,515              |
| Investments and other assets           |                      |                     |
| Investment securities                  | 0                    | 0                   |
| Deferred tax assets                    | 6,124                | 5,963               |
| Other assets                           | 1,152                | 1,160               |
| Total investments and other assets     | 7,276                | 7,123               |
| Total non-current assets               | 44,022               | 42,396              |
| Total assets                           | 170,312              | 158,136             |

(Millions of yen)

|  | As of March 31, 2025 | As of June 30, 2025 |
|--|----------------------|---------------------|
| <b>Liabilities</b>                           |                      |                     |
| Current liabilities                          |                      |                     |
| Accounts payable-trade                       | 11,936               | 12,341              |
| Accounts payable-other                       | 4,597                | 4,513               |
| Accrued expenses                             | 7,412                | 4,449               |
| Income taxes payable                         | 3,361                | 354                 |
| Other current liabilities                    | 3,965                | 6,493               |
| Total current liabilities                    | 31,271               | 28,150              |
| Long-term liabilities                        |                      |                     |
| Asset retirement obligations                 | 350                  | 350                 |
| Lease liabilities                            | 1,298                | 1,237               |
| Other long-term liabilities                  | 347                  | 337                 |
| Total long-term liabilities                  | 1,995                | 1,924               |
| Total liabilities                            | 33,266               | 30,074              |
| <b>Net assets</b>                            |                      |                     |
| Shareholders' equity                         |                      |                     |
| Common stock                                 | 32,971               | 32,996              |
| Deposits for subscriptions of shares         | 46                   | 5                   |
| Capital surplus                              | 32,971               | 32,996              |
| Retained earnings                            | 74,252               | 70,270              |
| Treasury stock                               | (5,003)              | (10,003)            |
| Total shareholders' equity                   | 135,237              | 126,264             |
| Accumulated other comprehensive income       |                      |                     |
| Foreign currency translation adjustments     | 1,809                | 1,658               |
| Total accumulated other comprehensive income | 1,809                | 1,658               |
| Share award rights                           | -                    | 140                 |
| Total net assets                             | 137,046              | 128,062             |
| Total liabilities and net assets             | 170,312              | 158,136             |

## (2) Quarterly consolidated statements of income and comprehensive income

## Quarterly consolidated statements of income

(Millions of yen)

|  | 3 months ended<br>June 30, 2024 | 3 months ended<br>June 30, 2025 |
|--|---------------------------------|---------------------------------|
| Net sales                                    | 52,783                          | 34,553                          |
| Cost of sales                                | 22,947                          | 14,400                          |
| Gross profit                                 | 29,836                          | 20,153                          |
| Selling, general and administrative expenses | 19,571                          | 18,713                          |
| Operating income                             | 10,265                          | 1,440                           |
| Non-operating income                         |                                 |                                 |
| Interest income                              | 103                             | 85                              |
| Foreign exchange gain                        | 445                             | -                               |
| Other income                                 | 9                               | 17                              |
| Total non-operating income                   | 557                             | 102                             |
| Non-operating expenses                       |                                 |                                 |
| Foreign exchange losses                      | -                               | 767                             |
| Other expenses                               | 14                              | 58                              |
| Total non-operating expenses                 | 14                              | 825                             |
| Ordinary income                              | 10,808                          | 717                             |
| Profit before income taxes                   | 10,808                          | 717                             |
| Income taxes-current                         | (49)                            | 125                             |
| Income taxes-deferred                        | 3,283                           | 131                             |
| Total income taxes                           | 3,234                           | 256                             |
| Profit                                       | 7,574                           | 461                             |
| Profit attributable to owners of parent      | 7,574                           | 461                             |



Quarterly consolidated statements of comprehensive income

(Millions of yen)

|  | 3 months ended<br>June 30, 2024 | 3 months ended<br>June 30, 2025 |
|--|---------------------------------|---------------------------------|
| Profit                                   | 7,574                           | 461                             |
| Other comprehensive income               |                                 |                                 |
| Foreign currency translation adjustments | 648                             | (151)                           |
| Total other comprehensive income         | 648                             | (151)                           |
| Comprehensive income                     | 8,222                           | 310                             |
| Comprehensive income attributable to:    |                                 |                                 |
| Owners of parent                         | 8,222                           | 310                             |

## (3) Quarterly consolidated statements of cash flows

(Millions of yen)

|   | 3 months ended<br>June 30, 2024 | 3 months ended<br>June 30, 2025 |
|---|---------------------------------|---------------------------------|
| Cash flows from operating activities                          |                                 |                                 |
| Profit before income taxes                                    | 10,808                          | 717                             |
| Depreciation and amortization                                 | 3,740                           | 3,901                           |
| Interest and dividend income                                  | (103)                           | (85)                            |
| Loss on retirement of non-current assets                      | 179                             | 3                               |
| Decrease (increase) in accounts receivable                    | (1,407)                         | 8,925                           |
| Decrease (increase) in inventories                            | 3,590                           | (1,041)                         |
| Increase (decrease) in accounts payable                       | (2,200)                         | 981                             |
| Decrease (increase) in other assets                           | 1,174                           | (1,131)                         |
| Increase (decrease) in other liabilities                      | (5,902)                         | (1,471)                         |
| Other   | 106                             | 2,024                           |
| Subtotal  | 9,985                           | 12,823                          |
| Interest and dividends received                               | 103                             | 85                              |
| Income taxes paid   | (5,528)                         | (2,877)                         |
| Net cash provided by (used in) operating activities           | 4,560                           | 10,031                          |
| Cash flows from investing activities                          |                                 |                                 |
| Purchases of property, plant and equipment                    | (973)                           | (2,264)                         |
| Purchases of intangible assets                                | (624)                           | (1,204)                         |
| Other   | (25)                            | (4)                             |
| Net cash used in investing activities                         | (1,622)                         | (3,472)                         |
| Cash flows from financing activities                          |                                 |                                 |
| Repayments of lease obligations                               | (125)                           | (109)                           |
| Proceeds from exercise of stock options                       | 172                             | 4                               |
| Deposits for subscriptions of shares                          | (48)                            | 5                               |
| Purchase of treasury stock                                    | -                               | (5,000)                         |
| Dividends paid  | (4,467)                         | (4,443)                         |
| Net cash used in financing activities                         | (4,468)                         | (9,543)                         |
| Effect of exchange rate changes on cash and cash equivalents  | 872                             | (322)                           |
| Increase (decrease) in cash and cash equivalents              | (658)                           | (3,306)                         |
| Cash and cash equivalents at the beginning of the fiscal year | 69,738                          | 72,837                          |
| Cash and cash equivalents at the end of the period            | 69,080                          | 69,531                          |

(4) Notes to quarterly consolidated financial statements

Segment information

1. 3 months ended June 30, 2024

(From April 1, 2024 to June 30, 2024)

The Group has a single segment primarily of SoC developed with the “solution SoC” business model.

2. 3 months ended June 30, 2025

(From April 1, 2025 to June 30, 2025)

The Group has a single segment primarily of SoC developed with the “solution SoC” business model.

Significant changes in shareholders' equity

Based on the resolution of the Board of Directors held on April 28, 2025, the Company acquired 2,722,400 shares of treasury stock. As a result, treasury stock increased by 5,000 million yen to 10,003 million yen as of June 30, 2025.

Assumptions of a going concern

None.

Subsequent Events

None.