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Notice Regarding Differences Between Consolidated Financial Forecasts and Actual Results for FY2025/3 and YoY Changes in Non-consolidated Financial Results

We hereby notify that the actual consolidated financial results announced today for FY2025/3 (April 1, 2024 – March 31, 2025) differ from the forecasts released on May 10, 2024 as summarized below. We also provide a summary of year-on-year (YoY) changes in non-consolidated financial results for FY2025/3.

1. Differences between consolidated financial forecasts and actual results

(1) Differences between consolidated financial forecasts and actual results for FY2025/3 (April 1, 2024 – March 31, 2025)

	Net sales (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income attributable to shareholders of the parent company (million yen)	Net income per share (yen)
Forecast (A)	33,000	500	600	400	37.49
Actual (B)	32,582	935	1,024	777	83.36
Difference (B - A)	(417)	435	424	377	-
Percentage difference	(1.3%)	87.1%	70.8%	94.4%	-
(Reference) Actual for FY2024/3	28,864	(1,787)	(1,537)	(1,977)	(198.93)

(2) Factors behind the differences

Although net sales were slightly lower than the forecast, operating income was better than expected as a result of a series of profit-generating efforts, such as putting resources into priority segments to optimize the business portfolio and streamlining the organizational structure to improve productivity and reduce fixed costs.

Ordinary income and net income attributable to shareholders of the parent company also exceeded the forecasts thanks to the higher-than-expected operating income.

2. YoY changes in non-consolidated financial results

(1) YoY changes in non-consolidated financial results for FY2025/3 (April 1, 2024 – March 31, 2025)

	Net sales (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share (yen)
FY2024/3 (A)	20,667	(1,934)	(1,429)	956	96.22
FY2025/3 (B)	24,649	518	1,012	586	62.92
YoY change (B – A)	3,981	2,452	2,441	(369)	-
YoY percentage change	19.3%	-	-	-	-

(2) Factors behind the YoY changes

As for non-consolidated financial results for FY2025/3, net sales outperformed the previous fiscal year due mainly to the following factors. The telecommunication business saw a recovery in demand for fixed wireless systems for emergency communication as municipalities enhanced their preparedness for disasters and other emergencies, while sales of defense-related products remained robust thanks to the increased defense budget of the government. The induction heating business benefited from a recovery in demand related to the automotive industry's capital investments.

Operating income and ordinary income also performed better than the previous fiscal year, riding on increased net sales and as a result of a series of profit-generating efforts, such as putting resources into priority segments to optimize the business portfolio and streamlining the organizational structure to improve productivity and reduce fixed costs.

Net income decreased year on year as the figure for the previous fiscal year included the gain on extinguishment of tie-in shares resulting from the acquisition of a 100% subsidiary on April 1, 2023, which was recognized as extraordinary income.