



April 30, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Under Japanese GAAP]

Company name: ALPS ALPINE CO., LTD.
 Listing: Prime market of the Tokyo Stock Exchange
 Securities code: 6770
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 Holding of financial results briefing: Yes (for analysts and institutional investors)

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

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(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	%
Fiscal year ended								
March 31, 2025	990,407	2.7	34,106	73.0	30,521	23.0	37,837	—
March 31, 2024	964,090	3.3	19,711	(41.3)	24,809	(29.0)	(29,814)	—

(Note) Comprehensive income

For the fiscal year ended March 31, 2025: ¥31,490 million [—%]
 For the fiscal year ended March 31, 2024: ¥1,485 million [(92.5)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended					
March 31, 2025	184.00	184.00	9.4	4.1	3.4
March 31, 2024	(145.04)	—	(7.6)	3.3	2.0

(Reference) Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2025: ¥(1,958) million
 For the fiscal year ended March 31, 2024: ¥1,840 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
March 31, 2025	740,715	415,515	55.9	2,013.07
March 31, 2024	753,989	392,824	51.9	1,902.43

(Reference) Equity

As of March 31, 2025: ¥413,994 million
 As of March 31, 2024: ¥391,108 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	65,817	(1,683)	(37,299)	147,464
March 31, 2024	89,173	(55,095)	(1,808)	122,298

2. Cash dividends

	Annual dividends					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	June 30	September 30	December 31	March 31	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	–	20.00	–	10.00	30.00	6,167	–	1.6
Fiscal year ended March 31, 2025	–	30.00	–	30.00	60.00	12,339	32.6	3.1
Fiscal year ending March 31, 2026 (Forecast)	–	30.00	–	30.00	60.00		274.2	

3. Consolidated earnings forecasts 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 attribute to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First six months ending September 30, 2025	458,000	(6.6)	4,000	(64.3)	4,500	(45.1)	1,000	(1.4)	4.86
Fiscal year ending March 31, 2026	910,000	(8.1)	17,000	(50.2)	18,000	(41.0)	4,500	(88.1)	21.88

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement:

- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: None
- Changes in accounting estimates: None
- Restatements: None

(Note) For details, please refer to (Changes in accounting policies) under (5) Notes to consolidated financial statements of 5. Consolidated financial statements and significant notes on page 16.

(3) Number of issued shares (common shares)

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

As of March 31, 2025	219,281,450 shares
As of March 31, 2024	219,281,450 shares

- Number of treasury shares at the end of the period

As of March 31, 2025	13,628,814 shares
As of March 31, 2024	13,698,507 shares

- Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	205,635,437 shares
Fiscal year ended March 31, 2024	205,558,375 shares

(Reference) Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	620,534	4.0	(18,492)	—	10,735	(54.3)	43,460	218.5
Fiscal year ended March 31, 2024	596,779	2.8	(30,875)	—	23,473	—	13,646	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2025	211.35	211.34
Fiscal year ended March 31, 2024	66.39	66.38

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	431,347	192,783	44.7	937.39
March 31, 2024	423,208	158,406	37.4	770.19

(Reference) Equity

As of March 31, 2025: ¥192,777 million

As of March 31, 2024: ¥158,338 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Information regarding appropriate use of earnings forecasts, and other special matters.

(Notes on forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to ALPS ALPINE CO., LTD. (the “Company”) and certain assumptions deemed to be reasonable, and are not intended to guarantee the achievement of these forecasts. Actual results may differ materially from the forecasts due to various factors. Please refer to (4) Forecast of 1. Overview of financial results, on page 4 of the Supplementary materials for the assumptions used in the forecasts and notes regarding the use of the forecasts.

(Access to supplementary materials on financial results)

Supplementary materials on financial results are available on the Company’s website on Wednesday, April 30, 2025.

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1. Overview of financial results

(1) Overview of financial results for the fiscal year ended March 31, 2025

During the fiscal year ended March 31, 2025, in North America, the global economy was relatively strong with an increase in real wages stimulating personal consumption. In Europe, while stable energy prices bolster personal consumption, the overall economic landscape is stable, though it differs by region, partly due to a slump in the manufacturing industry, particularly in the automotive industries in Germany and Italy. In China, although the economy has benefited by a rise in exports, the sluggish real estate market and declining personal consumption pose challenges, contributing to a slowdown in the pace of economic recovery. In Japan, despite a decline in real wages caused by inflation, the economy has experienced moderate recovery driven a resurgence in domestic consumption, increased inbound demand, and higher exports.

Amidst the business environment for the fiscal year ended March 31, 2025, sales and operating profit increased due to the depreciation of the yen. In the automotive markets, new automobile sales moderately increased globally. Additionally, the Tier 2 business expanded, driven by the development of new customers and an increase in the number of products adopted, which was a result of changes in powertrain configurations, as well as a rise in the share of automobile manufacturers backed by Chinese capital. However, the Tier 1 business for automotive manufacturers in Japan, North America, and Europe, which are our main customers, continues to be sluggish. In the mobile markets, demand for major smartphone manufacturers remains strong, while in the consumer markets, there is growth in demand for game consoles and other electronic components and products.

In addition, we have decided to discontinue our 2nd Medium-Term Management Plan, which was set to conclude in the fiscal year ending March 2025, and instead repositioned the fiscal year ending March 2025 as a period for management structural reforms, dedicating all our efforts to fundamental reforms. As a result, combined with the effects of cost structural reforms, which are one of the management structural reforms, we were able to increase profit compared to the previous fiscal year.

Financial results for the fiscal year ended March 31, 2025, are summarized below. Net sales shown below represent net sales to third parties, after elimination of inter-segment sales.

Segment information

<Component Segment>

Net sales increased due to the depreciation of the yen, a rise in product demand in the consumer and mobile markets, and expanded product sales in the automotive market. Operating profit also increased, driven by the yen's depreciation and higher sales.

As a result, total net sales in this segment for the fiscal year ended March 31, 2025 increased by 14.0% to ¥348.0 billion, and operating profit increased by 48.5% to ¥30.3 billion, compared to the previous fiscal year.

<Sensor and Communication Segment>

Net sales for the automotive markets decreased due to a shift from conventional automotive keyless entry systems to digital key products. However, overall net sales remained nearly the same as the previous fiscal year due to the depreciation of the yen and an increase in the demand for products in the mobile market. Operating profit decreased due to an increase of development expenses.

As a result, total net sales in this segment for the fiscal year ended March 31, 2025 increased by 0.1% to ¥84.1 billion, compared to the previous fiscal year and the operating loss was ¥3.3 billion (the operating loss in the same period of the previous year was ¥1.4 billion).

<Module and System Segment>

Although the depreciation of the yen boosted net sales, the decrease in net sales was primarily due to the discontinuation of European models for system products and the impact of a slump in the Chinese market, which affected our main customers, including Japanese, North American, and European automotive manufacturers. Operating profit increased mainly due to an improvement in variable costs, an increase of the recovery of development costs from the customers, and a decrease in depreciation and amortization, which resulted from impairment losses recorded in the previous fiscal year. This occurred despite lower net sales and wage hikes. Net sales from foreign currency transactions in this business were nearly offset by the costs associated with these transactions, resulting in a profit structure less susceptible to exchange rate volatility.

As a result, total net sales in this segment for the fiscal year ended March 31, 2025 decreased by 3.1% to ¥537.2 billion, compared to the previous fiscal year and the operating profit was ¥5.6 billion (the operating loss in the previous year was ¥1.1 billion).

(Extraordinary income)

In the fiscal year ended March 31, 2025, as part of our business structural reforms, we recorded a gain of ¥27.0 billion on the sale of ALPS LOGISTICS CO., LTD. shares and a gain on the sale of the power inductor businesses of ¥6.4 billion as extraordinary income.

As a result, for the Group consisting of three operating segments noted above and others for the fiscal year ended March 31, 2025, net sales increased by 2.7% to ¥990.4 billion, operating profit increased by 73.0% to ¥34.1 billion, ordinary profit increased by 23.0% to ¥30.5 billion and profit attributable to owners of parent was ¥37.8 billion (Loss attributable to owners of parent in the previous year was ¥29.8 billion).

(2) Overview of financial position as of the fiscal year ended March 31, 2025

Assets, Liabilities and Net Assets

Total assets as of March 31, 2025, decreased by ¥13.2 billion to ¥740.7 billion, from the end of the previous fiscal year. Equity increased by ¥22.8 billion to ¥413.9 billion, and equity ratio was 55.9%.

Current assets as of March 31, 2025, increased by ¥3.4 billion to ¥494.9 billion, from the end of the previous fiscal year. The increase in current assets was mainly due to an increase in cash and deposits and notes and accounts receivable - trade, partially offset by a decrease in merchandise and finished goods.

Non-current assets as of March 31, 2025, decreased by ¥16.7 billion to ¥245.7 billion, from the end of the previous fiscal year. The decrease in non-current assets was mainly due to a decrease in investment securities and intangible assets.

Current liabilities as of March 31, 2025, decreased by ¥20.8 billion to ¥226.8 billion from the end of the previous fiscal year. The decrease in current liabilities was mainly due to a decrease in other current liabilities and short-term borrowings.

Non-current liabilities as of March 31, 2025, decreased by ¥15.1 billion to ¥98.3 billion, from the end of the previous fiscal year. The decrease in non-current liabilities was mainly due to a decrease in long-term borrowings, partially offset by an increase in deferred tax liabilities.

(3) Overview of cash flows for the fiscal year ended March 31, 2025

The balance of cash and cash equivalents ("cash") as of March 31, 2025, was ¥147.4 billion, an increase of ¥25.1 billion from the end of the previous fiscal year.

(Cash flows from operating activities)

The increase in cash from operating activities for the fiscal year ended March 31, 2025, was ¥65.8 billion, compared to an increase of ¥89.1 billion for the previous fiscal year.

The increase was mainly related to an increase in cash due to ¥57.8 billion of profit before income taxes, ¥35.1 billion of depreciation, a decrease of ¥23.7 billion in inventories, as well as a decrease in cash due to ¥27.0 billion of gain on sale of shares of subsidiaries and associates, ¥11.4 billion of income taxes paid and an increase of ¥11.4 billion in trade receivables.

(Cash flows from investing activities)

The decrease in cash from investing activities for the fiscal year ended March 31, 2025, was ¥1.6 billion, compared to a decrease of ¥55.0 billion for previous fiscal year. The decrease was mainly related to a decrease in cash due to ¥50.6 billion used for the purchase of property, plant and equipment, and intangible assets, as well as an increase in cash due to ¥37.0 billion of proceeds from the sale of shares of subsidiaries and associates, and ¥8.5 billion of proceeds from sale of businesses.

(Cash flows from financing activities)

The decrease in cash from financing activities for the fiscal year ended March 31, 2025, was ¥37.2 billion, compared to a decrease of ¥1.8 billion for the previous fiscal year. The decrease was mainly related to a decrease in cash due to a decrease of ¥19.7 billion in short-term borrowings, ¥9.6 billion of repayment of long-term borrowings and ¥8.2 billion of dividends paid.

Movement of the Company's management indicators related to financial position are as follows.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Equity ratio (%)	49.7	52.4	54.0	51.9	55.9
Equity ratio based on market value (%)	43.6	33.7	35.4	32.7	42.2
Debt redemption period (years)	2.8	3.3	7.9	1.5	1.5
Interest coverage ratio	56.2	46.9	12.6	78.1	63.7

Equity ratio : Equity / Total assets

Equity ratio based on market value : Market capitalization / Total assets

Debt redemption period : Interest-bearing liabilities / Operating cash flows

Interest coverage ratio : Operating cash flows / Interest expenses paid

* Each indicator is calculated using financial figures on a consolidated basis.

* Market capitalization is calculated by multiplying the closing price of the stock at the end of the fiscal year by the number of shares issued and outstanding at the end of the year.

* Operating cash flows are derived from cash flows from operating activities on the consolidated statement of cash flows. Interest-bearing liabilities are an aggregate of corporate bonds, convertible bonds, bonds with subscription rights to shares, and borrowings on the consolidated balance sheet. Interest expenses paid are derived from interest paid on the consolidated statement of cash flows.

(4) Forecast

The outlook for the fiscal year ending March 2026 is uncertain due to rising trade costs from additional tariffs imposed by the United States, ongoing geopolitical risks, and the impact of natural disasters happening around the world. The United States is expected to maintain growth driven by robust domestic demand, but policy uncertainty under the current administration and geopolitical risks could impact economic growth. In Europe, the gradual recovery trend is expected to continue, but there is a possibility that external risks such as the situation in Russia and Ukraine, and the deterioration of relations with the United States may restrain growth. In China, the economy is expected to maintain a certain level of growth through the expansion of domestic demand and policy support, despite structural challenges such as the prolonged slump in the real estate market suppressing growth. However, trade friction with the United States may have adverse effects. In Japan, while the economy is on a recovery trend, there are concerns about the impact of a decline in real wages due to inflation, and external environment.

In the fiscal year ending March 2026, in the automotive market, for our automotive manufacturers in Japan, North America, and Europe, which are our main customers, we expect that sales struggles, particularly in the Chinese market, will persist. In addition, due to additional tariffs and other factors, we expect a further decline in vehicle production in North America and China, which form the basis of our earnings forecasts. In the mobile market, sales to major smartphone manufacturers remain strong, but the market share of some models is expected to decrease. In the consumer market, demand for game consoles and other electronic components is expected to remain robust. The downward impact of tariffs has not been reflected in our earnings forecasts for the consumer and mobile markets.

Since the degree of impact on each market is subject to uncertainty, we will reflect and announce any changes in our forecast resulting from future changes in circumstances in a timely manner.

(i) Component Segment

In the fiscal year ending March 2026, while sales of products for consumer devices, mainly game consoles, and products for the automotive market are expected to remain strong, we expect net sales and operating profit in the mobile market to decline due to intensified competition and declining market share of some models.

We forecast net sales of ¥306.5 billion and operating profit of ¥20.0 billion in the Component Segment for the fiscal year ending March 31, 2026.

(ii) Sensor and Communication Segment

In the fiscal year ending March 2026, sales of automotive device products are expected to remain strong, however, we expect net sales and operating profit to decline due to a decrease of conventional models of keyless entry

systems products for the automotive market as well as the transitional period until digital key products are fully launched.

We forecast net sales of ¥78.5 billion and operating loss of ¥5.0 billion in the Sensor and Communication Segment for the fiscal year ending March 31, 2026.

(iii) Mobility Segment

From the fiscal year ending March 2026, the name of “Module and System Segment” has been changed to “Mobility Segment.”

In the fiscal year ending March 2026, sales to automotive manufacturers of our main customers in Japan, North America, and Europe, are expected to continue to struggle, particularly in the Chinese market. Furthermore, net sales and operating profit are expected to decrease, as a result of the additional tariffs and the number of vehicle production in North America and China is expected to decline compared to market expectations due to customer trends.

We forecast net sales of ¥502.0 billion and operating profit of ¥1.0 billion in the Mobility Segment for the fiscal year ending March 31, 2026.

<Consolidation Financial Forecast>

Net sales will amount to ¥910.0 billion for the fiscal year ending March 31, 2026, a decrease of 8.1%, and will amount to ¥458.0 billion for the six-month ending September 30, 2025.

Operating profit will amount to ¥17.0 billion for the fiscal year ending March 31, 2026, a decrease of 50.2%, and will amount to ¥4.0 billion for the six-month ending September 30, 2025.

Ordinary profit will amount to ¥18.0 billion for the fiscal year ending March 31, 2026, a decrease of 41.0%, and will amount to ¥4.5 billion for the six-month ending September 30, 2025.

Profit attribute to owners of parent will amount to ¥4.5 billion for the fiscal year ending March 31, 2026, a decrease of 88.1%, and will amount to ¥1.0 billion for the six-month ending September 30, 2025.

* Exchange rates are 1 USD = ¥140.00, 1 EUR = ¥160.00, 1 CNY = ¥19.50

(5) Basic policy for distribution of earnings and dividends for the fiscal year ended March 31, 2025, and for the fiscal year ending March 31, 2026

Our capital policy is to maintain a balance between growth investment, sound finances, and shareholder returns.

The shareholder returns policy adopts a Dividend on Equity (DOE) to ensure stable and continuous returns over the medium to long term, with our benchmark for DOE as 3%. This measure started from the fiscal year 2024 and will continue for 4 years in principle. It will be reviewed at the time of the Medium-Term Management Plan 2030 starting from the fiscal year 2028. However, it is possible to review the measure even in the business plan periods if any unexpected circumstances arise, such as major economic crisis. We will also implement a policy to comprehensively make decisions on share buybacks while taking into account other investment considerations, capital efficiency, and financial conditions.

In accordance with this policy, we will make a proposal at the 92nd Ordinary General Meeting of Shareholders to pay a year-end dividend of ¥30 per share for the fiscal year ended March 31, 2025. In addition, we plan to purchase ¥20.0 billion of our treasury shares by March 2026.

For the next fiscal year, the Company plans to pay a second quarter-end dividend (interim dividend) of ¥30 per share and a year-end dividend ¥30 per share in consideration of the revised policy and earnings forecasts.

(Supplement) Capital Policy

Growth investment

By selecting investments aligned with our business portfolio through ROIC management and focusing on capital efficiency, we will make growth investments for the launch of new businesses and products, expanding production capacity to accommodate increased production, investing in automation equipment to address labor shortages, making DX investments to increase productivity, and pursuing M&A for achieving non-linear growth, thereby maximizing corporate value.

Sound finances

We have responsibilities for continuously and stably supplying the products to the customers in each of the automobile, consumer, and industrial market. An establishment of a sound financial foundation is expected by the customers to acquire and sustain our business. Additionally, a sound financial foundation is necessary to respond to unforeseen circumstances such as sudden economic crises, which are said to occur once every few decades, or large-scale natural disasters. Our benchmark for sound finance is a domestic rating of A, an equity ratio of 50%, and positive net-cash.

Shareholder returns

Mentioned above.

(6) Business risk

With regard to the geopolitical risks, economic security risks and public regulatory risks described in the securities report filed on June 26, 2024, the cost ratio may deteriorate, especially for automotive products, due to the expected full-scale implementation of protectionist economic policies accompanied by tariff increases, which will affect our business performance and financial position.

As a countermeasure, we will review the supply chain, from material procurement to product delivery to customers, and plan to set appropriate selling prices.

(Note)

Forward looking statements such as forecasts, plans, policies, strategies contained in this report that are not conclusive, are derived from the Company's forecasts based on information that was available at the time of announcement and on certain assumptions deemed to be reasonable. Accordingly, actual results may differ from forecasts due to various risk factors and uncertainties.

2. Information regarding the group

Disclosure is omitted because since there are no significant changes from descriptions in "Overview of business" and "Affiliated companies" in the most recent securities report filed on June 26, 2024.

3. Management policy, business environment and challenges to be addressed

(1) The Company's basic management policy

Our Group's corporate philosophy states that "Alps Alpine innovates value for humans and society on a brighter planet" and we have instituted five management approaches "Strive for Value," "Love the Planet," "Contribute to Society," "Respect the Individual," and "Act with Integrity," as shared values based on the corporate motto established at its founding, which forms the foundation for our current ESG and SDGs. In accordance with this, Group companies work together to promote management plans and maximize corporate value.

Our company has established a new long-term corporate vision looking 10 years into the future: "Shaping a future where technology extends your senses." By realizing "Excitement, Safety, and Environment" under our Business Vision, we will pursue our unique value that we promise to all people and society.

(2) The Company's medium to long-term business strategy and target management metrics

The Company launched its Medium-Term Management Plan 2027 in April 2025.

With a long-term corporate vision of "Shaping a future where technology extends your senses" that looks 10 years into the future, we aim to improve people's lives and build a sustainable future through the development of user-centric products that leverage our core technologies, the introduction of environmentally-friendly and sustainable technologies, the promotion of diversity, the management of sustainable supply chains, and the development of innovative technologies. We have planned our Medium-Term Management Plan 2027, which extends until March 2028.

<Medium-Term Management Plan 2027 Basic Policy>

1. Pursuit of high added value

We have shifted away from the conventional sales growth approach and have started ROIC management with an awareness of capital costs. We will also build an optimal portfolio that maximizes the overall profitability of the company along with implementing measures to strengthen the profitability of each business. In addition, we will shift to digital cabins, which are high-value-added products, reduce unprofitable offerings, and streamline our product lineup.

2. Preparation for the next business

As a promising market for next-generation electronic components and devices, which inherited the smartphone-related products that drove earnings until the period of the 2nd Medium-Term Management Plan, we will develop markets and products that will serve as the pillars of our next business such as new products based on core technologies and focus on the sensor domain.

3. Strengthening the business foundation

We will strengthen our business foundation to support the overall profitability of the Company by restructuring production bases and strengthening production resilience in Japan to maintain and expand our cost competitiveness and make up for the future labor shortages, strengthening software development to lead in the SDV era, making human capital investments, and balance sheet management.

< Medium-Term Management Plan 2027 Business Portfolio >

The business segments are defined as the Component Segment, which aims to maintain and expand its earnings base, the Sensor and Communication Segment, which is positioned as a growth area for the future, and the Mobility Segment, which aims to improve the quality of its earnings structure through improvements, and we will promote initiatives to achieve more balanced growth. From the fiscal year ending March 2026, the name of the previous “Module and System Segment” has been changed to “Mobility Segment” to promote the transition to a digital cabin and to unify the internal organizational structure.

Through these initiatives, we aim to achieve a PBR of 1 or higher in the fiscal year ending March 2027 and an ROE of 10% in the fiscal year ending March 2028.

(3) The Company’s business environment and challenges to be addressed

We operate 186 bases across 23 countries and regions, maintaining a strong presence in Japan, North America, Europe, China, and other Asian countries. We offer approximately 40,000 types of products and services in the automotive, mobile, and consumer markets. In the automotive market, our core Tier 1 business involves direct sales to major automotive manufacturers in Japan, North America, and Europe. In addition, our core Tier 2 business focuses on sales to automotive components manufacturers worldwide. In the mobile markets, we are engaged in sales to major smartphone manufacturers and other customers who handle mobile-related products. In the consumer markets, we sell products to manufacturers in markets beyond automotive and mobile products, including personal computers, home appliances, game consoles, and various industrial equipment.

The business environment surrounding the Company is characterized by intensified competition in the global market, necessitating responses to economic fluctuations in order to maintain its competitiveness in the global market. In particular, there is a high level of uncertainty due to geopolitical risks such as potential additional tariffs imposed by the United States, and it has become important to respond to tariffs in the short term and review supply chains with a medium-to-long term perspective.

In addition, in our business domain within the automotive market, technological evolution is progressing rapidly due to the digitalization of vehicle interiors, as well as autonomous driving and electrification of vehicles. In particular, the development of infotainment systems and digital cabin is increasing, improving the comfort and convenience within vehicles. In recent years, Chinese-owned companies have made great strides in this field, prompting companies in Japan, Europe and the United States, which account for most of our existing customers, to focus on technological development and market expansion, intensifying competition among businesses. In the mobile market, competitors are entering the market due to the commoditization of technology, and there is a need for greater cost-responsiveness and the development of new products that make use of our core technologies. In addition to these existing markets, we aim to leverage the strengths of our products by entering the robotics, life sciences, housing equipment, industrial equipment, agriculture, nursing care, environmental, and recycling markets

as a new market.

In the Medium-Term Management Plan 2027, we will address these issues based on 4 key medium-term issues: (1) profitability of the mobility business, (2) establishment of growth driver, (3) Reducing uncertainty in financial forecasts, and (4) strengthening profitability by improving capital efficiency.

In addition, to enhance corporate value over the medium-to-long term, we recognize ESG (Environmental, Social, and Governance) as an important management issue. We are formulating effective strategies that balance medium-to-long term and short-term perspectives and support their implementation. Specifically, we aim to create products with high environmental value and implement an internal carbon pricing system to sustainably enhance the quality of our business.

In addition, we will improve our cost competitiveness by implementing activities that reduce our environmental impact, such as reducing greenhouse gas (GHG) emissions, promoting energy conservation, and reducing waste. We will also promote recycling efforts by emphasizing waste reduction. We will strengthen the driving force behind these activities by developing value-creating human capital through the promotion of reskilling and leadership development initiatives. Furthermore, we will aim to achieve sustainable growth by strengthening corporate governance through measures to improve the effectiveness of management-related meetings and by supporting the aforementioned activities.

4. Basic policy for accounting policy selection

The Company and the Group have implemented a policy to prepare consolidated financial statements in accordance with Japanese GAAP for the foreseeable future in consideration of comparability of periods and comparability between companies.

With regard to the application of IFRS, our policy is to take appropriate measures taking into consideration domestic and foreign developments while improving our system environment.

5. Consolidated financial statements and significant notes

(1) Consolidated balance sheet

	(Millions of yen)	
	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	122,667	147,941
Notes and accounts receivable - trade	158,584	166,841
Merchandise and finished goods	83,170	69,331
Work in process	20,861	18,841
Raw materials and supplies	59,684	50,462
Other	46,783	43,453
Allowance for doubtful accounts	(292)	(1,926)
Total current assets	491,458	494,946
Non-current assets		
Property, plant and equipment		
Buildings and structures	132,858	126,484
Accumulated depreciation and impairment	(95,237)	(89,757)
Buildings and structures, net	37,620	36,726
Machinery, equipment and vehicles	340,660	346,102
Accumulated depreciation and impairment	(292,818)	(297,101)
Machinery, equipment and vehicles, net	47,841	49,001
Tools, furniture, fixtures and molds	156,404	154,306
Accumulated depreciation and impairment	(143,809)	(139,805)
Tools, furniture, fixtures and molds, net	12,594	14,500
Land	19,132	16,335
Construction in progress	17,022	20,108
Total property, plant and equipment	134,211	136,673
Intangible assets	26,551	22,031
Investments and other assets		
Investment securities	71,804	60,033
Deferred tax assets	16,978	15,234
Retirement benefit asset	148	364
Other	12,878	13,593
Allowance for doubtful accounts	(42)	(2,162)
Total investments and other assets	101,768	87,064
Total non-current assets	262,531	245,769
Total assets	753,989	740,715

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	93,964	90,381
Short-term borrowings	50,463	44,288
Accrued expenses	17,970	14,093
Income taxes payable	8,671	7,350
Provision for bonuses	9,340	10,087
Provision for bonuses for directors (and other officers)	28	53
Provision for product warranties	9,807	9,680
Other provisions	1,441	1,816
Other	56,023	49,109
Total current liabilities	247,711	226,861
Non-current liabilities		
Long-term borrowings	78,838	56,499
Deferred tax liabilities	17,592	23,717
Retirement benefit liability	13,850	13,194
Provision for retirement benefits for directors (and other officers)	82	66
Liabilities from application of equity method	—	2,009
Provision for environmental measures	634	796
Other	2,456	2,055
Total non-current liabilities	113,453	98,338
Total liabilities	361,165	325,200
Net assets		
Shareholders' equity		
Share capital	38,730	38,730
Capital surplus	124,138	123,872
Retained earnings	184,350	213,942
Treasury shares	(28,365)	(28,254)
Total shareholders' equity	318,853	348,289
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	24,393	23,154
Revaluation reserve for land	(496)	(476)
Foreign currency translation adjustment	54,599	48,699
Remeasurements of defined benefit plans	(6,242)	(5,672)
Total accumulated other comprehensive income	72,254	65,704
Share acquisition rights	67	5
Non-controlling interests	1,648	1,515
Total net assets	392,824	415,515
Total liabilities and net assets	753,989	740,715

(2) Consolidated statement of income and comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	964,090	990,407
Cost of sales	798,017	815,238
Gross profit	166,072	175,169
Selling, general and administrative expenses	146,360	141,062
Operating profit	19,711	34,106
Non-operating income		
Interest income	1,823	2,070
Dividend income	755	1,329
Share of profit of entities accounted for using equity method	1,840	—
Foreign exchange gains	2,029	—
Subsidy income	1,168	1,217
Other	1,369	451
Total non-operating income	8,987	5,067
Non-operating expenses		
Interest expenses	1,115	1,040
Foreign exchange losses	—	3,377
Share of loss of entities accounted for using equity method	—	1,958
Depreciation of inactive non-current assets	428	419
Foreign withholding tax	1,129	834
Other	1,215	1,022
Total non-operating expenses	3,889	8,652
Ordinary profit	24,809	30,521
Extraordinary income		
Gain on sale of non-current assets	1,109	65
Gain on sale of investment securities	812	218
Gain on sale of shares of subsidiaries and associates	—	27,074
Gain on sale of businesses	—	6,424
Other	—	445
Total extraordinary income	1,921	34,228
Extraordinary losses		
Loss on sales and retirement of non-current assets	847	1,248
Impairment losses	39,286	4,541
Extra retirement payments	—	298
Other	1,074	789
Total extraordinary losses	41,208	6,877
Profit (loss) before income taxes	(14,477)	57,872
Income taxes - current	15,867	11,928
Income taxes - deferred	(837)	7,860
Total income taxes	15,030	19,788
Profit (loss)	(29,507)	38,083
Profit (loss) attributable to:		
Owners of parent	(29,814)	37,837
Non-controlling interests	306	246
Other comprehensive income		
Valuation difference on available-for-sale securities	2,010	(1,243)
Foreign currency translation adjustment	24,969	(5,961)
Remeasurements of defined benefit plans, net of tax	3,275	587
Share of other comprehensive income of entities accounted for using equity method	738	24
Total other comprehensive income	30,993	(6,593)
Comprehensive income	1,485	31,490
Comprehensive income attributable to:		
Owners of parent	1,069	31,267
Non-controlling interests	416	223

(3) Consolidated statement of changes in equity
For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	38,730	124,206	222,385	(28,581)	356,740
Changes during period					
Dividends of surplus			(8,221)		(8,221)
Profit (loss) attributable to owners of parent			(29,814)		(29,814)
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		(67)		218	150
Additional purchase of shares of consolidated subsidiaries					—
Reversal of revaluation reserve for land					—
Net changes in items other than shareholders' equity					
Total changes during the year	—	(67)	(38,035)	216	(37,887)
Balance at the end of the year	38,730	124,138	184,350	(28,365)	318,853

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	22,348	(496)	29,129	(9,611)	41,370	105	1,565	399,782
Changes during period								
Dividends of surplus								(8,221)
Profit (loss) attributable to owners of parent								(29,814)
Purchase of treasury shares								(2)
Disposal of treasury shares								150
Additional purchase of shares of consolidated subsidiaries								—
Reversal of revaluation reserve for land								—
Net changes in items other than shareholders' equity	2,044	—	25,470	3,369	30,883	(37)	83	30,929
Total changes during the year	2,044	—	25,470	3,369	30,883	(37)	83	(6,957)
Balance at the end of the year	24,393	(496)	54,599	(6,242)	72,254	67	1,648	392,824

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	38,730	124,138	184,350	(28,365)	318,853
Changes during period					
Dividends of surplus			(8,225)		(8,225)
Profit (loss) attributable to owners of parent			37,837		37,837
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		(15)		113	98
Additional purchase of shares of consolidated subsidiaries		(251)			(251)
Reversal of revaluation reserve for land			(20)		(20)
Net changes in items other than shareholders' equity					
Total changes during the year	—	(266)	29,591	110	29,435
Balance at the end of the year	38,730	123,872	213,942	(28,254)	348,289

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	24,393	(496)	54,599	(6,242)	72,254	67	1,648	392,824
Changes during period								
Dividends of surplus								(8,225)
Profit (loss) attributable to owners of parent								37,837
Purchase of treasury shares								(2)
Disposal of treasury shares								98
Additional purchase of shares of consolidated subsidiaries								(251)
Reversal of revaluation reserve for land								(20)
Net changes in items other than shareholders' equity	(1,239)	20	(5,900)	569	(6,549)	(61)	(133)	(6,745)
Total changes during the year	(1,239)	20	(5,900)	569	(6,549)	(61)	(133)	22,690
Balance at the end of the year	23,154	(476)	48,699	(5,672)	65,704	5	1,515	415,515

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	(14,477)	57,872
Depreciation	41,464	35,143
Impairment losses	39,286	4,541
Increase (decrease) in allowance for doubtful accounts	92	3,849
Interest and dividend income	(2,578)	(3,399)
Interest expenses	1,115	1,040
Share of loss (profit) of entities accounted for using equity method	(1,840)	1,958
Loss (gain) on sale and retirement of non-current assets	(261)	1,182
(Increase) decrease in trade receivables	33,205	(11,429)
(Increase) decrease in inventories	14,165	23,729
Increase (decrease) in trade payables	(10,707)	(3,253)
Increase (decrease) in provision for bonuses	202	749
Loss (gain) on sale of shares of subsidiaries and associates	—	(27,074)
Loss (gain) on sale of businesses	—	(6,424)
Increase (decrease) in accrued expenses	767	(3,768)
Increase (decrease) in retirement benefit liability	(846)	(768)
Increase (decrease) in provision for product warranties	(346)	(105)
Other	1,714	682
Subtotal	100,954	74,526
Interest and dividends received	3,438	3,790
Interest paid	(1,142)	(1,032)
Income taxes paid	(14,076)	(11,466)
Net cash provided by (used in) operating activities	89,173	65,817
Cash flows from investing activities		
Payment into time deposits	(1,823)	(1,511)
Proceeds from withdrawal of time deposits	2,889	1,400
Purchase of property, plant and equipment	(47,342)	(43,036)
Purchase of intangible assets	(8,699)	(7,582)
Proceeds from sale of property, plant and equipment	1,546	2,286
Proceeds from sale of shares of subsidiaries and associates	—	37,018
Proceeds from sale of businesses	—	8,552
Other	(1,667)	1,189
Net cash provided by (used in) investing activities	(55,095)	(1,683)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,752)	(19,790)
Proceeds from long-term borrowings	43,800	879
Repayment of long-term borrowings	(33,296)	(9,623)
Dividends paid	(8,221)	(8,225)
Other	(338)	(539)
Net cash provided by (used in) financing activities	(1,808)	(37,299)
Effect of exchange rate change on cash and cash equivalents	7,135	(1,669)
Net increase (decrease) in cash and cash equivalents	39,404	25,166
Cash and cash equivalents at the beginning of the year	82,893	122,298
Cash and cash equivalents at the ending of the year	122,298	147,464

(5) Notes to consolidated financial statements
(Significant matters that serve as the basis for the preparation of consolidated financial statements)

1. Matters concerning the scope of consolidation

Number of consolidated subsidiaries: 53

ALPINE ELECTRONICS OF U.K., LTD. has been excluded from the scope of consolidation due to the liquidation.

The Company has 2 non-consolidated subsidiaries including ALPINE DO BRASIL LTDA. These non-consolidated companies are immaterial in terms of total assets, net sales, profit (equity equivalent) and retained earnings (equity equivalent), and do not have a material effect on the consolidated financial statements as a whole. Therefore, they have been excluded from the scope of consolidation.

2. Matters concerning the application of the equity method

Number of affiliates accounted for by the equity method: 31

LDEC, Ltd. and its subsidiaries ALPS LOGISTICS CO., LTD. and 26 other subsidiaries, ASAHI CORPORATION, NEUSOFT REACH AUTOMOTIVE TECHNOLOGY (SHANGHAI) CO., LTD., and Lumax Alps Alpine India Private Limited.

If the closing date of a company accounted for by the equity method is different from the consolidated closing date, the financial statements for each affiliate's fiscal year are used for consolidation, but the consolidated financial statements are adjusted to include significant transactions that occurred during the period between each affiliate's closing date and the consolidated closing date.

Prior to selling all of our shares in ALPS LOGISTICS CO., LTD., we acquired shares (voting rights ratio of 20%), of LDEC, Ltd., which now holds 100% of the voting rights of ALPS LOGISTICS CO., LTD. Therefore, ALPS LOGISTICS CO., LTD. and 26 other subsidiaries has been included in the scope of equity method through LDEC, Ltd. In addition, Device & System Platform Development Center Co., Ltd. has been liquidated, and therefore excluded from application of equity method.

The 2 non-consolidated subsidiaries (ALPINE DO BRASIL LTDA., other) and 5 affiliates not accounted for by the equity method are excluded from the application of the equity method because they are immaterial in terms of profit (equity equivalent) and retained earnings (equity equivalent), and do not have a material effect on the consolidated financial statements as a whole.

(Unapplied accounting standards, etc.)

[Accounting standard for leases, etc.]

- Accounting Standard for Leases (ASBJ Statement No. 34, issued on September 13, 2024)
- Implementation Guidance on Accounting Standard for Leases (ASBJ Guidance No. 33, issued on September 13, 2024)

1. Overview

The Accounting Standards Board of Japan (ASBJ) released new accounting standards as part of efforts to align Japanese standards with international practices. In developing these standards, the ASBJ examined international accounting standards with a focus on creating a lease accounting standard that would require lessees to recognize all leases as assets and liabilities. The new standards adopt a single accounting model based on IFRS 16 Leases. However, rather than fully incorporating IFRS 16 Leases, the ASBJ included only key provisions to create a simpler, more practical standard that allows companies to apply the provisions of this guideline in non-consolidated financial statements with minimal adjustments. For lessee accounting, the new standards apply a single expense allocation model for leases, consistent with IFRS 16 Leases.

Under this model, lessees must recognize depreciation and amortization of right-of-use assets and interest on lease liabilities for all leases, regardless of whether they are classified as finance or operating leases.

2. Effective date

Effective from the beginning of the fiscal year ending March 31, 2028.

3. Impact of new accounting standards

The impact of adopting the lease accounting standards on the consolidated financial statements is currently under evaluation.

(Changes in accounting policies)

[Application of the accounting standard for current income taxes]

On April 1, 2024, the Group adopted the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, revised on October 28, 2022) (hereinafter referred to as “ASBJ Statement No. 27 (revised 2022)”). Regarding the amendment related to the classification of current income taxes (taxation on other comprehensive income), the Group follows the transitional treatment prescribed in the proviso to Paragraph 20-3 of ASBJ Statement No. 27 (revised 2022), as well as the transitional treatment prescribed in the proviso to Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, revised on October 28, 2022) (hereinafter referred to as “ASBJ Guidance No. 28 (revised 2022)”). These changes in accounting policies have no impact on the Group’s quarterly consolidated financial statements.

In addition, on April 1, 2024, the Group adopted ASBJ Guidance No. 28 (revised 2022), regarding the amendment related to the review of the treatment in the consolidated financial statements when deferring for tax purposes the gain or loss on the sale of subsidiary shares and others among the Group companies. This change in accounting policy has been applied retrospectively and has no impact on the Group’s consolidated financial statements for the fiscal year ended March 31, 2024, as well as the quarterly consolidated financial statements for the interim periods of that fiscal year.

(Additional information)

[Extraordinary losses due to plant closure of a consolidated subsidiary]

For the fiscal year ended March 31, 2025, we decided to close the Jengka plant of ALPS ELECTRIC (MALAYSIA) SDN. BHD., a consolidated subsidiary of the Company. As a result, the amount of extra retirement payments is recorded as extraordinary losses.

[Extraordinary income due to sale of a portion of equity interest in ALPS LOGISTICS CO., LTD., an equity-method affiliate]

For the fiscal year ended March 31, 2025, we sold a portion of the shares of ALPS LOGISTICS CO., LTD., which is an equity method affiliate of the Company. As a result, the amount of gain on sale of shares of subsidiaries and associates is recorded as extraordinary income.

[Extraordinary income due to power inductor business transfer(succession)]

For the fiscal year ended March 31, 2025, we transferred our power inductor business to DELTA ELECTRONICS INC. Group (Head office: Taipei, Taiwan; Chairman and CEO: Ping Cheng). As a result, the amount of gain on sale of businesses is recorded as extraordinary income.

(Omitted disclosures)

Disclosures of notes regarding changes in presentation, consolidated balance sheets, consolidated statement of income and comprehensive income, consolidated statement of changes in net assets, consolidated statement of cash flows, lease transactions, financial instruments, securities, derivative transactions, retirement benefits, stock options, tax effect accounting, revenue recognition, asset retirement obligations, real estate for rental, and related party information are omitted because we believe this information is not significant enough to be disclosed in this report.

(Segment information)

a. Segment information

1. Overview of reportable segment

The Company's operating segments are components of its business for which separate financial information is available and which are subject to periodic review by the Board of Directors in order to determine the allocation of business resources and to evaluate financial performance.

The Company has group companies for each product and service, and the Company and each group company formulate comprehensive strategies for the products and services they handle and develop their business activities.

The Company consists of segments which are classified based on types of products and services and similarities of sales market. There are three reportable segments: Component Segment, Sensor and Communication Segment and Module and System Segment.

The Component Segment manufactures and sells electronic components such as switches, actuators, and haptics. The

Sensor and Communication Segment manufactures and sells electronic components for sensors and communication devices. The Module and System Segment manufactures and sells components and products for in-vehicle modules, infotainment, displays and sound.

2. Calculation method for net sales, profit/loss, assets, liabilities and other items by reportable segment

Income of reportable segments is based on operating profit. Intersegment sales and transfers are based on actual transactions.

3. Information concerning net sales, profit/loss, assets, liabilities and other items by reportable segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Component Segment	Sensor and Communication Segment	Module and System Segment	Sub-total				
Net sales								
External	305,281	84,086	554,389	943,757	20,332	964,090	—	964,090
Inter-segment sales and transfers	258	23	37	319	11,286	11,605	(11,605)	—
Total	305,540	84,110	554,426	944,076	31,618	975,695	(11,605)	964,090
Segment profit (loss)	20,474	(1,498)	(1,131)	17,844	2,037	19,881	(170)	19,711
Segment assets	143,615	53,637	258,616	455,869	47,529	503,399	250,590	753,989
Other items								
Depreciation and amortization	18,935	4,202	17,541	40,679	793	41,472	(8)	41,464
Increase in property, plant and equipment and intangible assets	18,339	6,503	29,448	54,291	1,484	55,776	(111)	55,665

(Note)

1. “Other” represents business segments not included in the reportable segments, and includes the development of systems, office services, financing and leasing businesses, and logistics.

2. The adjustments are as follows:

- (1) An adjustment of ¥(170) million to segment profit (loss) represents reclassification adjustments upon consolidation and eliminations of inter-segment transactions.
- (2) An adjustment of ¥250,590 million to segment assets consists of corporate assets of ¥279,694 million and the elimination of inter-segment transactions of ¥(29,103) million. The main group assets are the Company’s and certain group company’s surplus investments funds (cash and deposits and securities), long-term investments funds (investments securities), land and other assets.

3. Segment profit (loss) is reconciled to operating profit in the consolidated financial statements.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Component Segment	Sensor and Communication Segment	Module and System Segment	Sub-total				
Net sales								
External	348,013	84,199	537,202	969,415	20,992	990,407	—	990,407
Inter-segment sales and transfers	294	22	37	353	10,489	10,843	(10,843)	—
Total	348,307	84,221	537,240	969,769	31,481	1,001,251	(10,843)	990,407
Segment profit (loss)	30,397	(3,360)	5,606	32,642	1,516	34,159	(52)	34,106
Segment assets	146,707	46,307	244,205	437,220	49,400	486,621	254,093	740,715
Other items								
Depreciation and amortization	17,115	3,585	13,534	34,235	945	35,180	(36)	35,143
Increase in property, plant and equipment and intangible assets	17,293	7,519	25,456	50,269	1,711	51,981	(95)	51,886

(Note)

1. “Other” represents business segments not included in the reportable segments, and includes the development of systems, office services, and financing and leasing businesses.

2. The adjustments are as follows:

(1) An adjustment of ¥(52) million to segment profit (loss) represents reclassification adjustments upon consolidation and elimination of inter-segment transactions.

(2) An adjustment of ¥254,093 million to segment assets consists of corporate assets of ¥280,628 million and the elimination of inter-segment transactions of ¥(26,534) million. The main group assets are the Company’s and certain group company’s surplus investments funds (cash and deposits and securities), long-term investments funds (investments securities), land and other assets. In accordance with the change of business segments, the aggregation method has been partially changed.

3. Segment profit (loss) is reconciled to operating profit in the consolidated financial statements.

b. Relevant information

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

1. Information by product and service

This information is omitted because such information is disclosed in “Segment information.”

2. Geographic information

(1) Net sales

(Millions of yen)

China	United States	Vietnam	Japan	Others	Total
172,997	164,495	144,065	103,790	378,741	964,090

(Note) Net sales are attributed by country or region based on the customers’ locations.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Others	Total
81,959	31,129	21,122	134,211

3. Information on major customers

(Millions of yen)

Customer name	Net sales	Related segment
Apple Inc.	176,141	Component Segment

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

1. Information by product and service

This information is omitted because such information is disclosed in “Segment information.”

2. Geographic information

(1) Net sales

(Millions of yen)

China	United States	Korea	Japan	Others	Total
218,625	177,797	122,355	111,295	360,334	990,407

(Note) Net sales are attributed by country or region based on the customers' locations.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Others	Total
80,078	29,919	26,674	136,673

3. Information on major customers

(Millions of yen)

Customer name	Net sales	Related segment
Apple Inc.	228,631	Component Segment

c. Information concerning impairment losses on non-current assets by reportable segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Component Segment	Sensor and Communication Segment	Module and System Segment	Other	All/Eliminations	Total
Impairment losses	1,016	1,529	36,727	12	—	39,286

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Component Segment	Sensor and Communication Segment	Module and System Segment	Other	All/Eliminations	Total
Impairment losses	358	1,445	648	—	2,089	4,541

d. Information concerning amortization of goodwill unamortized balance by reportable segment

This information is omitted because the amount is not material.

e. Information concerning gain on negative goodwill by reportable segment

There are no items to report.

(Going concern assumptions)

No items to report.

(Earnings per share)

	For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)
Net assets per share	1,902.43 yen	2,013.07 yen
Profit and Loss per share	(145.04) yen	184.00 yen
Diluted earnings per share	— yen	184.00 yen

Diluted earnings per share for this fiscal year are not stated because net loss per share was recorded despite the existence of dilutive shares.

(Note 1) The basis for calculating book-value per share is as follows:

	As of March 31, 2024	As of March 31, 2025
Total net assets (millions of yen)	392,824	415,515
Amount deducted from total net assets (millions of yen)	1,716	1,521
(Share acquisition rights (millions of yen))	(67)	(5)
(Non-controlling interests (millions of yen))	(1,648)	(1,515)
Total net assets related to Share capital at the end of the year (millions of yen)	391, 108	413,994
Number of Share capital used in calculating net assets per share at the end of the year (thousand)	205,582	205,652

(Note 2) The basis for calculating earnings (loss) per share and diluted earnings per share is as follows:

	For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)	For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)
Basic earnings (loss) per share		
Profit (loss) attributable to owners of parent (millions of yen)	(29,814)	37,837
Amount not attributable to common shareholders (millions of yen)	—	—
Profit (loss) attributable to owners of parent related to Share capital (millions of yen)	(29,814)	37,837
Average number of shares during the year (thousand)	205,558	205,635
Diluted earnings per share		
Profit attributable to owners of parent (millions of yen)	—	—
Increase in Share capital (thousand)	—	8
(Share acquisition rights (thousand))	(—)	(8)
Summary of dilutive shares that were not included in the calculation of diluted earnings per share because they have no dilutive effect	—	—

(Significant subsequent events)

(Acquisition and cancellation of the Company's treasury shares)

The Company resolved, at a meeting of its Board of Directors held on April 30, 2025, the matters concerning the acquisition of treasury shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph 3 and the matters concerning the cancellation of treasury shares in accordance with Article 178 of the Companies Act.

1. Reason for conducting acquisition and cancellation of treasury shares

As part of our shareholder returns measures, the Company acquires and cancels its treasury shares for the purpose of improving efficiency of its capital structure.

2. Details of the share acquisition

(1) Type of shares to be acquired: Common shares

(2) Total number of shares to be acquired: 20 million shares (upper limit)

Ratio of total number of issued shares (excluding treasury shares): 9.73%

(3) Total shares acquisition cost: 20,000 million yen (upper limit)

(4) Acquisition period: From May 1, 2025 to March 31, 2026 (Estimate)

(5) Acquisition method: Purchase on Tokyo Stock Exchange Market (Estimate)

3. Details of the share cancellation

(1) Type of shares to be cancelled: Common shares

(2) All treasury shares acquired pursuant to 2. above

(3) Scheduled date of the cancellation: April 30, 2026

Reference: Status of our treasury shares holdings as of March 31, 2025

Total number of issued shares (excluding treasury shares): 205,652,636 shares

Number of treasury shares: 13,628,814 shares

6. Non-consolidated financial statements

(1) Balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	25,856	48,522
Notes receivable - trade	528	1,216
Accounts receivable - trade	106,259	111,213
Merchandise and finished goods	20,396	16,604
Work in process	6,945	7,557
Raw materials and supplies	13,258	9,819
Advance payments to suppliers	695	327
Prepaid expenses	1,978	2,293
Accounts receivable - other	54,098	53,325
Income taxes refund receivable	1,729	54
Short-term loans receivable from subsidiaries and associates	8,617	11,539
Other	1,047	635
Allowance for doubtful accounts	(116)	(50)
Total current assets	241,294	263,060
Non-current assets		
Property, plant and equipment		
Buildings	23,835	23,038
Structures	1,400	1,309
Machinery and equipment	21,924	20,924
Vehicles	150	155
Tools, furniture and fixtures	3,309	2,656
Molds	3,198	2,172
Land	18,836	15,803
Construction in progress	6,347	6,174
Total property, plant and equipment	79,003	72,233
Intangible assets		
Patent right	1	1
Leasehold interests in land	236	236
Trademark right	12	10
Software	22,413	17,368
Telephone subscription right	36	3
Right to use facilities	1	1
Total intangible assets	22,702	17,621
Investments and other assets		
Investment securities	11,015	10,080
Shares of subsidiaries and associates	51,042	48,758
Investments in capital of subsidiaries and associates	15,393	17,784
Long-term loans receivable from subsidiaries and associates	563	458
Long-term loans receivable from employees	131	117
Long-term prepaid expenses	1,672	1,319
Prepaid pension costs	180	165
Guarantee deposits	136	124
Other	114	19
Allowance for doubtful accounts	(42)	(395)
Total investments and other assets	80,207	78,432
Total non-current assets	181,913	168,286
Total assets	423,208	431,347

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	86,681	88,226
Short-term borrowings	41,042	24,062
Current portion of long-term borrowings	8,900	21,900
Lease liabilities	2	2
Accounts payable - other	24,451	23,149
Accrued expenses	9,446	6,889
Income taxes payable	381	306
Advance received	1,398	751
Deposits received	114	107
Provision for bonuses	5,892	6,546
Provision for bonuses for directors (and other officers)	21	48
Provision for product warranties	3,483	5,028
Provision for loss on inventories	1,133	1,618
Other	217	905
Total current liabilities	183,166	179,544
Non-current liabilities		
Long-term borrowings	73,600	51,700
Lease liabilities	2	—
Long-term accounts payable - other	103	28
Provision for retirement benefits	4,893	4,677
Provision for environmental measures	634	796
Asset retirement obligations	684	459
Deferred tax liabilities	1,571	1,212
Other	145	145
Total non-current liabilities	81,635	59,019
Total liabilities	264,802	238,564
Net assets		
Shareholders' equity		
Share capital	38,730	38,730
Capital surplus		
Legal capital surplus	99,993	99,993
Other capital surplus	1,380	1,365
Total capital surplus	101,374	101,359
Retained earnings		
Other retained earnings		
Retained earnings brought forward	44,344	79,499
Total retained earnings	44,344	79,499
Treasury shares	(28,423)	(28,277)
Total shareholders' equity	156,025	191,311
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,552	2,625
Revaluation reserve for land	(1,239)	(1,158)
Total valuation and translation adjustments	2,312	1,466
Share acquisition rights	67	5
Total net assets	158,406	192,783
Total liabilities and net assets	423,208	431,347

(2) Statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	596,779	620,534
Cost of sales	546,849	567,178
Gross profit	49,929	53,355
Selling, general and administrative expenses	80,804	71,848
Operating loss	(30,875)	(18,492)
Non-operating income		
Dividend income	53,766	32,835
Foreign exchange gains	1,666	—
Other	1,117	1,650
Total non-operating income	56,550	34,485
Non-operating expenses		
Interest expenses	834	870
Foreign exchange losses	—	2,715
Commission expenses	310	267
Foreign withholding tax	683	666
Other	373	738
Total non-operating expenses	2,201	5,258
Ordinary profit	23,473	10,735
Extraordinary income		
Gain on sales of investment securities	94	205
Gain on sale of shares of subsidiaries and associates	—	35,049
Gain on sale of businesses	—	6,541
Other	1	125
Total extraordinary income	96	41,921
Extraordinary losses		
Impairment losses	5,501	8,524
Loss on sales and retirement of non-current assets	523	1,014
Loss on valuation of investment securities	465	97
Other	419	0
Total extraordinary losses	6,909	9,637
Profit before income taxes	16,660	43,019
Income taxes - current	(625)	(437)
Income taxes - deferred	3,638	(2)
Total income taxes	3,013	(440)
Profit	13,646	43,460

(3) Statement of changes in equity

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at the beginning of the year	38,730	99,993	1,448	101,442	38,918	38,918	(28,639)	150,451
Changes during period								
Dividends of surplus					(8,221)	(8,221)		(8,221)
Profit attributable to owners of parent					13,646	13,646		13,646
Purchase of treasury shares							(2)	(2)
Disposal of treasury shares			(67)	(67)			218	150
Reversal of revaluation reserve for land								—
Net changes in items other than shareholders' equity								
Total changes during the year	—	—	(67)	(67)	5,425	5,425	216	5,573
Balance at the end of the year	38,730	99,993	1,380	101,374	44,344	44,344	(28,423)	156,025

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at the beginning of the year	2,050	(1,239)	811	105	151,368
Changes during period					
Dividends of surplus					(8,221)
Profit attributable to owners of parent					13,646
Purchase of treasury shares					(2)
Disposal of treasury shares					150
Reversal of revaluation reserve for land					—
Net changes in items other than shareholders' equity	1,501	—	1,501	(37)	1,463
Total changes during the year	1,501	—	1,501	(37)	7,037
Balance at the end of the year	3,552	(1,239)	2,312	67	158,406

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at the beginning of the year	38,730	99,993	1,380	101,374	44,344	44,344	(28,423)	156,025
Changes during period								
Dividends of surplus					(8,225)	(8,225)		(8,225)
Profit attributable to owners of parent					43,460	43,460		43,460
Purchase of treasury shares							(2)	(2)
Disposal of treasury shares			(15)	(15)			147	132
Reversal of revaluation reserve for land					(80)	(80)		(80)
Net changes in items other than shareholders' equity								
Total changes during the year	—	—	(15)	(15)	35,154	35,154	145	35,285
Balance at the end of the year	38,730	99,993	1,365	101,359	79,499	79,499	(28,277)	191,311

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at the beginning of the year	3,552	(1,239)	2,312	67	158,406
Changes during period					
Dividends of surplus					(8,225)
Profit attributable to owners of parent					43,460
Purchase of treasury shares					(2)
Disposal of treasury shares					132
Reversal of revaluation reserve for land					(80)
Net changes in items other than shareholders' equity	(927)	80	(846)	(61)	(908)
Total changes during the year	(927)	80	(846)	(61)	34,376
Balance at the end of the year	2,625	(1,158)	1,466	5	192,783