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## Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)



February 13, 2025

Company name: Icom Incorporated  
 Listing: Tokyo Stock Exchange  
 Securities code: 6820  
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 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on financial results: None  
 Holding of financial results briefing: None

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

### 1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 – December 31, 2024)

#### (1) Consolidated operating results (cumulative)

(% indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	26,613	△3.5	2,457	△13.9	2,853	△18.6	2,029	△21.3
December 31, 2023	27,578	9.8	2,854	44.0	3,507	51.1	2,577	49.0

Note: Comprehensive income For the nine months ended December 31, 2024: ¥2,266 million [△46.0%]  
 For the nine months ended December 31, 2023: ¥4,193 million [102.9%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	141.39	—
December 31, 2023	179.61	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2024	73,178	66,619	91.0
March 31, 2024	73,159	65,745	89.9

Reference: Equity

As of December 31, 2024: ¥66,619 million  
 As of March 31, 2024: ¥65,745 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	25.00	—	72.00	97.00
Fiscal year ending March 31, 2025	—	25.00	—		
Fiscal year ending March 31, 2025 (Forecast)				54.00	79.00

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	38,000	2.4	3,500	2.5	3,800	△14.0	2,800 △19.1	195.09

(Note) Revision to the financial results forecast announced most recently: None

**\* Notes**

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

(Note) For details, please see “2. Quarterly Consolidated Financial Statements and Main Notes (3) Notes on Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policies)” on page 9 of the attached document.

(4) Number of issued shares (common shares)

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

As of December 31, 2024	14,850,000 shares
As of March 31, 2024	14,850,000 shares

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

As of December 31, 2024	497,673 shares
As of March 31, 2024	497,623 shares

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

Nine months ended December 31, 2024	14,352,362 shares
Nine months ended December 31, 2023	14,352,492 shares

\*These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants and audit corporations.

**\* Explanation of the proper use of performance forecast and other notes**

The forward-looking statements concerning future financial results presented in this document are prepared based on the information currently available for the Company and certain preconditions which the Company believes to be reasonable at this time. Actual results may be substantially different from any projections presented herein due to various factors. Please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 5 of the Attachments for the assumptions underlying the financial results forecasts and precautions when using the forecasts.

## Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results .....	2
(1) Explanation of Operating Results .....	2
(2) Overview of Financial Position in the Current Quarter.....	4
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information.....	5
2. Quarterly Consolidated Financial Statements and Principal Notes.....	6
(1) Quarterly Consolidated Balance Sheets.....	6
(2) Quarterly Consolidated Statements of Income and Comprehensive Income.....	7
Quarterly Consolidated Statements of Income Nine Months Ended December 31 .....	7
Quarterly Consolidated Statements of Comprehensive Income Nine Months Ended December 31 .....	8
(3) Notes to Quarterly Consolidated Financial Statements.....	9
(Notes on Changes in Accounting Policies) .....	9
(Segment information, etc.) .....	10
(Notes in case of significant changes in shareholders' equity) .....	11
(Notes on going concern assumption) .....	11
(Notes on Quarterly Consolidated Statement of Cash Flows) .....	11
(Additional information) .....	11

## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

The Group started its “Medium Term Business Plan 2026” (fiscal year ended March 31, 2024 to fiscal year ending March 31, 2026) last fiscal year, with the main strategies being the strengthening of core business, taking on the challenge of new business models and sustainable management aimed at becoming a 100-year company. We are now in the second year of this business plan.

During the third quarter of the current fiscal year in the global economy, the United States saw a steady economic recovery, accompanied by a gentle slowdown in inflation. In Europe, although the economy is generally on a recovery trend, the progress of this varied from country to country, and in Germany, one of the Group's main markets, the economy continued to stagnate.

In Japan, the economy continued to recover, supported by a pick-up in consumer spending and strong corporate capital investment. However, there are many uncertainties, mainly overseas, such as the future of trade policy in the United States, the slowdown in the Chinese economy, and the further escalation of geopolitical risks, the outlook for the economy both in Japan and overseas remains uncertain.

In the wireless communications equipment market, where the Group participates, the long-term issue of procuring electronic components and other raw materials has been resolved, with the supply-demand balance improving, although there have been some issues with some key components, such as longer delivery times and production obsolescence. However, as companies have recovered their supply capacity, there has been a temporary surplus in market inventory in export markets. This was particularly noticeable for commercial land mobile communications equipment for the private sector in North America and Central and South America.

In this economic environment, sales of IP radios in the domestic market continued to be strong, as they were in the previous fiscal year, and the growth of recurring revenue (stock) business underpinned sales, resulting in an increase in revenue. On the other hand, in export markets, the yen was weaker than expected, but revenue decreased due to a reactionary fall in North America from fulfilling back orders in the previous fiscal year, and the overall Group results were lower than in the previous fiscal year.

By product category, sales of amateur radio communication equipment increased, supported by strong demand and new products, but sales of land mobile radio communication equipment and marine radio communication equipment decreased, due to a prolonged oversupply in overseas markets caused by the easing of parts procurement difficulties. In addition, sales of aviation radio communication equipment decreased due to the absence of large orders received in the previous fiscal year.

The situation by region is as follows.

Reference: Sales by Region

	3 <sup>rd</sup> Qtr. of Previous Fiscal Year (April 1, 2023~ December 31, 2023)		3 <sup>rd</sup> Qtr. of Current Fiscal Year (April 1, 2024~ December 31, 2024)		Increase/ Decrease (%)
	Total (Million Yen)	Ratio (%)	Total (Million Yen)	Ratio (%)	
Japan	7,805	28.3	8,226	30.9	5.4
North America	9,234	33.5	7,929	29.8	(14.1)
Europe (EMEA)	4,861	17.6	4,555	17.1	(6.3)
Asia/Oceania	4,400	16.0	4,791	18.0	8.9

	3 <sup>rd</sup> Qtr. of Previous Fiscal Year (April 1, 2023~ December 31, 2023)		3 <sup>rd</sup> Qtr. of Current Fiscal Year (April 1, 2024~ December 31, 2024)		Increase/ Decrease (%)
	Total (Million Yen)	Ratio (%)	Total (Million Yen)	Ratio (%)	
Others (Incl. Central/South America)	1,276	4.6	1,110	4.2	(13.0)
Export total	19,773	71.7	18,387	69.1	(7.0)
Total sales	27,578	100.0	26,613	100.0	(3.5)

(Sales and Income)

Consolidated net sales for the third quarter of the current fiscal year were 26,613 million yen (down 3.5% year-on-year), and gross profit amounted to 11,930 million yen (down 1.3% year-on-year). Selling, general and administrative expenses increased by 245 million yen to 9,472 million yen due to an increase in personnel expenses, and an increase in advertising activities, etc. Operating income decreased by 396 million yen to 2,457 million yen (down 13.9% year-on-year). Ordinary income decreased by 653 million yen to 2,853 million yen (down 18.6% year-on-year) due to a decrease in equity in earnings of affiliates as a result of making Comforce Inc. a subsidiary and a decrease in foreign exchange gains, and net income attributable to owners of the parent was 2,029 million yen (down 21.3% year on year).

The average exchange rates applied to the U.S. dollar and euro during the period were 152.19 yen and 165.08 yen, respectively, so yen depreciation against the U.S. dollar was 7.1% and against the euro 7.9% compared with the same period last year.

Segment results are as follows.

(Segment results are presented as geographic segments, the reporting segments of the Group, which differs from the “Sales by Region” above.)

1) Japan [the Company, Wakayama Icom, Inc., Icom Information Equipment Inc., Macrotechnos, Co., Ltd. and Comforce, Inc.]

Domestic market: (Sales from Japan to the domestic market)

For land mobile radio communication equipment, sales of license-free low-power radio equipment, which is a volume product line, were sluggish due to price competition in the market. Overall sales increased due to the continued strong performance of recurring revenue (stock) business, which was driven by an increase in demand for IP radio equipment and the acquisition of new customers for hybrid models.

Overseas markets: (Sales from Japan to overseas markets excluding Company subsidiaries)

Sales of specific models targeted for sales expansion were strong in the Asian region, and sales increased. However, sales in the European region covered by this Japan segment were weak due to the impact of the economic slowdown, and sales decreased.

As a result, sales to external customers in this segment amounted to 14,468 million yen (up 3.6% year-on-year), and operating income was 1,910 million yen (down 35.2% year-on-year) due to a decrease in internal sales.

2) North America [Icom America, Inc., ICOM CANADA HOLDINGS INC., ICOM DO BRASIL RADIOCOMUNICACAO LTDA., ICOM CENTRAL AMERICA, S. DE R. L. DE C. V.]

Sales of amateur radio communication equipment remained at the same level as the previous year, partly due to the introduction of new products. However, sales of marine and aviation radio communication equipment were down year-on-year, despite maintaining the same level of sales volume, due to sluggish sales of high-end products.

For land mobile radio communication equipment, sales were maintained in Central and South America due to increased demand for satellite communication equipment, but revenue was down due to the significant impact of a prolonged market inventory glut caused by a temporary oversupply following the resolution of parts procurement difficulties.

As a result, sales to external customers in this segment amounted to 9,018 million yen (down 14.8% year-on-year). In terms of profit, operating income was 143 million yen (down 74.1% year-on-year) due to the impact of lower revenue and an increase in selling, general and administrative expenses caused by the depreciation of the yen.

3) Europe [Icom (Europe) GmbH, Icom Spain, S.L.]

In addition to the strong performance of amateur radio equipment, which was underpinned by strong demand and the effect of new products, marine radio communication equipment also performed well due to demand during the holiday season. However, although there was an impact from the decrease in demand due to the slowdown in economic activity in land mobile radio communication equipment and aviation radio communication equipment, there was an increase in revenue due to the acquisition of projects and growth in satellite communications equipment.

As a result, sales to external customers in this segment amounted to 1,946 million yen (up 3.8% year-on-year). In terms of profit, operating income was 138 million yen (down 29.4% year-on-year) due to the impact of low-priced products underpinning sales, as well as an increase in selling, general and administrative expenses caused by the impact of yen depreciation and an increase in depreciation expenses arising from the acquisition of fixed assets.

4) Asia and Oceania [Icom (Australia) Pty. Ltd., PURECOM CO., LTD., ICOM ASIA CO., LTD.]

In Australia, the main market in this segment, sales of amateur radio communication equipment, marine radio communication equipment and aviation radio communication equipment declined due to sluggish demand caused by the impact of rising prices. However, sales of land mobile radio communication equipment increased due to strong demand for CB radios, as well as increased demand for satellite radio communication equipment, IP radios, and growth in radio rental business.

As a result, sales to external customers in this segment were 1,179 million yen (up 1.6% year-on-year). In terms of profit, operating income was 94 million yen (up 0.1% year-on-year) due to the increase in sales.

## (2) Overview of Financial Position

### (Assets)

Total assets increased by 19 million yen compared to the end of the previous fiscal year to 73,178 million yen.

The main breakdown shows that the reasons for the increase were increasing factors of 814 million yen in total inventories, an increase of 809 million yen in other current assets, and increase of 777 million yen in property, plant and equipment, an increase of 521 million yen in investment securities, and an increase of 178 million yen in other investments and other assets, as well as a decrease of 2,061 million yen in cash and deposits, a decrease of 500 million yen in securities, and

a decrease of 485 million yen in notes and accounts receivable-trade.

The 809 million yen increase in other current assets was mainly due to a 400 million yen increase in trust beneficiary rights, a 230 million yen increase in income taxes receivable, and a 146 million yen increase in consumption taxes receivable.

In addition, the increase of 178 million yen in investments and other assets was mainly due to a 159 million yen increase in retirement benefit assets.

(Liabilities)

Total liabilities decreased by 854 million yen compared to the end of the previous fiscal year to 6,559 million yen. The main breakdown shows that the reasons for the decrease were the increasing factors of 497 million yen in other noncurrent liabilities and 388 million yen in accounts payable, and the decreasing factors of 969 million yen in accrued income taxes and 769 million yen in provision for bonuses.

The main reason for the increase in other noncurrent liabilities of 497 million yen was an increase in deferred tax liabilities of 461 million yen.

(Net assets)

Total net assets increased by 874 million yen compared to the end of the previous fiscal year to 66,619 million yen.

The main breakdown shows that the reasons for the increase were increasing factors of 2,029 million yen in net income attributable to owners of the parent and 181 million yen in foreign currency translation adjustments and a decreasing factor of 1,392 million yen due to dividends of surplus.

As a result of the above, the equity ratio increased from 89.9% to 91.0%.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The consolidated financial results forecast for the full year of the fiscal year ending March 31, 2025 remains unchanged from the figures announced on May 14, 2024.



## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	27,838	25,776
Notes and accounts receivable - trade	5,231	4,746
Securities	600	99
Merchandise and finished goods	7,174	8,222
Work in process	107	198
Raw materials and supplies	7,111	6,787
Other	2,046	2,856
Allowance for doubtful accounts	△32	△37
Total current assets	50,077	48,649
Non-current assets		
Property, plant and equipment	8,718	9,495
Intangible assets	144	113
Investments and other assets		
Investment securities	8,193	8,715
Other	6,030	6,209
Allowance for doubtful accounts	△6	△5
Total investments and other assets	14,217	14,919
Total non-current assets	23,081	24,528
<b>Total assets</b>	<b>73,159</b>	<b>73,178</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	1,382	1,771
Income taxes payable	1,115	146
Provision for bonuses	1,085	316
Provision for product warranties	138	133
Other	2,265	2,236
Total current liabilities	5,988	4,603
Non-current liabilities		
Retirement benefit liability	580	613
Other	844	1,342
Total non-current liabilities	1,425	1,955
<b>Total liabilities</b>	<b>7,414</b>	<b>6,559</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,081	7,081
Capital surplus	10,449	10,449
Retained earnings	44,702	45,339
Treasury shares	△1,446	△1,446
Total shareholders' equity	60,786	61,423
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,821	1,894
Foreign currency translation adjustment	2,474	2,655
Remeasurements of defined benefit plans	662	645
Total accumulated other comprehensive income	4,958	5,195
<b>Total net assets</b>	<b>65,745</b>	<b>66,619</b>
<b>Total liabilities and net assets</b>	<b>73,159</b>	<b>73,178</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	27,578	26,613
Cost of sales	15,496	14,682
Gross profit	12,081	11,930
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	2	5
Salaries and allowances	2,397	2,603
Provision for bonuses	166	118
Retirement benefit expenses	68	58
Experimentation and research expenses	2,918	2,903
Other	3,674	3,782
Total selling, general and administrative expenses	9,227	9,472
Operating profit	2,854	2,457
Non-operating income		
Interest income	146	211
Dividend income	85	110
Gain on sale of investment securities	12	6
Foreign exchange gains	308	75
Other	112	24
Total non-operating income	665	428
Non-operating expenses		
Other	12	32
Total non-operating expenses	12	32
Ordinary profit	3,507	2,853
Extraordinary income		
Gain on bargain purchase	—	21
Total extraordinary income	—	21
Extraordinary losses		
Loss on step acquisitions	—	10
Total extraordinary losses	—	10
Profit before income taxes	3,507	2,864
Income taxes	929	835
Profit	2,577	2,029
Profit attributable to owners of parent	2,577	2,029

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	2,577	2,029
Other comprehensive income		
Valuation difference on available-for-sale securities	986	73
Deferred gains or losses on hedges	2	—
Foreign currency translation adjustment	626	181
Remeasurements of defined benefit plans, net of tax	0	△17
Total other comprehensive income	1,615	237
Comprehensive income	4,193	2,266
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,193	2,266

(3) Notes to Consolidated Financial Statements

(Notes on Changes in Accounting Policies)

(Application of the “Accounting Standard for Current Income Taxes, etc.,” and other standards)

The Company is applying the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as “Revised Accounting Standard of 2022”) and other ASBJ standards from the beginning of the first quarter ended June 30, 2024.

Revisions to the categories for recording income taxes, etc., (taxation on other comprehensive income) conform to the transitional treatment established in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment established in the proviso of paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2002).

There are no impacts on the Company’s quarterly consolidated financial statements due to these changes to accounting policies.

In addition, the Company has adopted the 2022 Revised Guidance on Accounting for Taxation on Sales of Subsidiaries’ Stock, etc., between Consolidated Companies from the beginning of the first quarter ended June 30, 2024. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the quarter and full year of the previous fiscal year have been prepared retrospectively.

There are no impacts on the consolidated financial statements for the quarter and full year of the previous financial year.

(Segment information, etc.)

[Segment information]

For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

Information on net sales and income (loss) by reportable segment

(Millions of yen)

	Reportable Segments					Reconciling Items (Note 2)	Per quarterly consolidated financial statements (Note 1)
	Japan	North America	Europe	Asia/ Oceania	Reportable Segments		
Sales							
Revenues from external customers	13,962	10,579	1,875	1,161	27,578	—	27,578
Transactions with other segments	10,917	2	—	243	11,164	△11,164	—
Net sales	24,880	10,582	1,875	1,404	38,742	△11,164	27,578
Operating profit (loss)	2,946	551	195	94	3,790	△936	2,854

(Note) 1 Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2 The segment profit adjustment is the elimination of inter-segment transactions. In addition, there is no amount of non-allocable operating expenses.

For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

Information on net sales and income (loss) by reportable segment

(Millions of yen)

	Reportable Segments					Reconciling Items (Note 2)	Per quarterly consolidated financial statements (Note 1)
	Japan	North America	Europe	Asia/ Oceania	Reportable segments		
Sales							
Revenues from external customers	14,468	9,018	1,946	1,179	26,613	—	26,613
Transactions with other segments	7,331	2	0	178	7,512	△7,512	—
Net sales	21,800	9,020	1,947	1,357	34,125	△7,512	26,613
Operating profit (loss)	1,910	143	138	94	2,286	171	2,457

(Note) 1 Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2 The segment profit adjustment is the elimination of inter-segment transactions. In addition, there is no amount of non-allocable operating expenses.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes on Consolidated Statement of Cash Flows)

We have not prepared a Consolidated Statement of Cash Flows for the nine months ended December 31, 2024. Depreciation (including depreciation of intangible assets) for the nine months ended December 31 is as follows.

	For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)	For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)
Depreciation	¥794million	¥798 million

(ADDITIONAL INFORMATION)

In the first quarter of this fiscal year, we additionally acquired the shares of Comforce Incorporated, which was an equity-method affiliate, making it a consolidated wholly-owned subsidiary, and this company is included in the scope of the consolidated results.