



May 13, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 8150
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 Scheduled date of annual general meeting of shareholders: June 20, 2025
 Scheduled date to commence dividend payments: June 23, 2025
 Scheduled date to file annual securities report: June 19, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (For Securities 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	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	157,342	12.2	5,791	0.7	4,934	26.2	3,522	28.5
March 31, 2024	140,197	(13.0)	5,748	(16.0)	3,908	(29.1)	2,740	(28.5)

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥3,366 million [(42.3)%]
 For the fiscal year ended March 31, 2024: ¥5,831 million [21.8%]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	288.20	-	8.9	6.1	3.7
March 31, 2024	224.66	-	7.6	5.0	4.1

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	84,049	40,551	48.2	3,310.15
March 31, 2024	78,884	38,373	48.5	3,138.10

Reference: Equity
 As of March 31, 2025: ¥40,485 million
 As of March 31, 2024: ¥38,295 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	3,980	(2,221)	(1,111)	9,361
March 31, 2024	5,740	(364)	(5,883)	8,793

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	35.00	-	70.00	105.00	1,297	47.3	3.5
March 31, 2025	-	30.00	-	105.00	135.00	1,667	47.4	4.2
March 31, 2026 (Forecast)		40.00		100.00	140.00		47.4	

Note: The dividend payout ratio is calculated by dividing the total dividends by net income attributable to owners of parent.

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

(Percentages indicate year-on-year changes.)

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

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
Excluded: 1 company (Sanshin Network Service Co., Ltd.)
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of March 31, 2025	16,281,373 shares
As of March 31, 2024	16,281,373 shares

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

As of March 31, 2025	4,050,682 shares
As of March 31, 2024	4,077,986 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	12,220,769 shares
Fiscal year ended March 31, 2024	12,199,104 shares

Note: The number of treasury shares at the end of the fiscal year includes directors (excluding directors who are members of the Audit and Supervisory Committee and outside directors). The Company's shares (123,800 shares in the fiscal year ending March 31, 2025 and 151,200 shares in the fiscal year ending March 31, 2024) held by the trust related to the performance-linked stock-based compensation plan. In addition, the Company's shares held by the Trust are included in the treasury stock deducted in the calculation of the average number of shares during the period (133,781 shares in the fiscal year ending March 31, 2025 and 155,545 shares in the fiscal year ending March 31, 2024).

[Reference] Overview of non-consolidated financial results

1. 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	113,427	20.0	2,223	48.9	3,572	2.3	3,145	8.3
March 31, 2024	94,513	(9.8)	1,493	(11.1)	3,493	14.0	2,903	28.4

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2025	257.42	-
March 31, 2024	238.02	-

(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	58,352	21,870	37.5	1,788.20
March 31, 2024	53,742	19,800	36.8	1,622.52

Reference: Equity

As of March 31, 2025: ¥21,870 million

As of March 31, 2024: ¥19,800 million

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

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as earnings forecasts, contained in this material are forward-looking statements based on information available at the time of publication, and are not intended to be a promise by the Company to realize them. In addition, actual results may differ from forecasts due to various factors.

Matters related to earnings forecasts are referred to in Appendix P.4 "1. Please refer to "Summary of Business Results (4) Future Outlook".

1. Overview of Business Results	4
(1) Overview of Business Results for the Fiscal Year Ended March 31, 2025	4
(2) Overview of Financial Position for the Fiscal Year Ended March 31, 2025	4
(3) Overview of Cash Flows for the Fiscal Year Ended March 31, 2025.....	4
(4) Future Prospects.....	5
2. Basic Attitudes Toward the Selection of our Accounting Standards	5
3. Consolidated Financial Statements and Main Notes	6
(1) Consolidated Balance Sheets	6
(2) Consolidated Profit and Loss Statement, Consolidated Comprehensive Income Statement	8
(3) Consolidated Statements of Changes in Shareholders' Equity	10
(4) Consolidated Statement of Cash Flows.....	11
(5) Notes on Consolidated Financial Statements	12
(Notes Regarding Going Concern)	12
(Additional Information)	12
(Notes Regarding Segment Information and Other)	14
(Notes Regarding Revenue Recognition)	15
(Notes Regarding Per Share Information)	15
4. Other.....	15
(1) Changes in Officers.....	15

1. Overview of Business Results

The items related to the future contained in this document are decisions made based on present consolidated financial results as of the end of this fiscal year.

(1) Overview of Business Results for the Fiscal Year Ended March 31, 2025

In the consolidated fiscal year under review, when looking at the global economy, the future outlook remained uncertain due to strong concern for an economic slowdown. Factors included continued geopolitical risk and prolonged stagnation of the Chinese economy, as well as reciprocal tariff policies following the start of the Trump administration in the second half of the fiscal year under review. In the electronics industry, which is the Group's domain of operations, demand for next-generation technologies such as AI continued to drive growth in the semiconductor market. The ICT industry in Japan enjoyed favorable conditions in the IT services market, supported by trends such as updating of existing systems, cloud migration, and the promotion of digital transformation (DX) within companies.

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

As a result of these efforts, business performance in the consolidated fiscal year under review was as follows: Net sales were ¥157,342 million (up 12.2% year-on-year), operating profit was ¥5,791 million (up 0.7% year-on-year), and ordinary profit was ¥4,934 million (up 26.2% year-on-year). Net profit attributable to shareholders of parent company was ¥3,522 million (up 28.5% year-on-year) and ROE was 8.9%.

In regard to internal transactions of revenues and expenses between consolidated companies, the parent company's transactions are converted at the exchange rate at the time of the transaction or at the forward exchange rate, and the overseas subsidiary's transactions are converted at the average rate during the period and offset. During the consolidated fiscal year under review, due to the weaker yen, operating profit increased because the offsetting expenses greatly exceeded the corresponding revenues. However, the same amount has been adjusted as a foreign exchange loss in non-operating expenses. Hence, there is no impact on the ordinary profit.

Consolidated performance by segment for the term under review is as follows.

(Device segment)

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

In the current consolidated fiscal year, net sales were ¥139,269 million (up 11.5% year-on-year) due to the launch of new businesses that boosted sales of vehicle systems, and to continued depreciation of the yen compared to the previous fiscal year. Segment profit was ¥2,773 million (up 31.9% year-on-year) due to increased revenue and a decrease in interest and other non-operating expenses, despite an increase in SG&A expenses compared to the previous fiscal year.

(Solution segment)

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

In the current consolidated fiscal year, net sales were ¥18,072 million (up 18.2% year-on-year) due to continued ongoing strong demand for DX implementation, which led to strong business performance, particularly in business related to corporate network systems and to fire and disaster prevention. Segment profit was ¥2,161 (up 19.6% year-on-year) due to increased revenue, despite an increase in SG&A expenses compared to the previous fiscal year.

(2) Overview of Financial Position for the Fiscal Year Ended March 31, 2025

(Assets)

As of March 31, 2025, assets increased ¥5,165 million compared to March 31, 2024, to ¥84,049 million. This was mainly attributable to a ¥6,144 million increase in notes and accounts receivable-trade, a ¥3,624 million increase in land and a ¥3,176 million decrease in merchandise inventories.

(Liabilities)

As of March 31, 2025, liabilities increased ¥2,987 million compared to March 31, 2024, to ¥43,497 million. This was mainly attributable to a ¥2,207 million increase in notes and accounts payable-trade and a ¥482 million increase in accrued corporate tax, etc.

(Net Assets)

As of March 31, 2025, net assets increased ¥2,178 million compared to March 31, 2024, to ¥40,551 million. This was mainly attributable to a ¥2,286 million increase in retained earnings.

(3) Overview of Cash Flows for the Fiscal Year Ended March 31, 2025

As of March 31, 2025, cash and cash equivalents increased ¥567 million compared with March 31, 2024, to ¥9,361 million. This was due to income from sources such as the recording of net profit before tax and other adjustments, a decrease in inventories and an increase in notes and accounts payable-trade, which exceeded expenses caused by factors such as an increase in notes and accounts receivable-trade and the purchase of property and equipment.

(Operating activities)

Net cash provided by operating activities during the consolidated period under review totaled ¥3,980 million. This was mainly due to income as the result of factors such as the recording of net profit before tax and other adjustments, a decrease in inventories and an increase in notes and accounts payable-trade, which exceeded expenses from factors such as an increase in notes and accounts receivable-trade. This represented an income decrease of ¥1,760 million compared to the previous consolidated fiscal year.

(Investing activities)

Net cash used in investing activities during the consolidated period under review totaled ¥2,221 million due to expenses from factors such as the purchase of property and equipment, which exceeded income as the result of factors such as proceeds from sales of investment securities. Compared to the previous consolidated fiscal year, this represented an expense increase of ¥1,857 million.

(Financing activities)

Net cash used in financing activities during the consolidated period under review totaled ¥1,111 million due mainly to the payment of dividends. This represented an expense decrease of ¥4,772 million compared to the previous consolidated fiscal year.

(Reference) Performance indicators associated with cash flows

	March 2021 Term	March 2022 Term	March 2023 Term	March 2024 Term	March 2025 Term
Ratio of own capital (%)	51.0	42.1	43.5	48.5	48.2
Ratio of own capital on current price base (%)	45.5	26.9	37.4	33.3	29.9
Interest-bearing debt to cash flow ratio (year)	—	11.2	—	4.2	6.1
Interest coverage ratio	—	19.2	—	6.0	6.6

Notes: Ratio of own capital: Own capital ÷ Total assets

Ratio of own capital on current price base: Market capitalization ÷ Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debts ÷ Operating cash flow

Interest coverage ratio: Operating cash flow ÷ Interest paid

* Each indicator is calculated using the consolidated financial figures.

* The market capitalization is calculated as the share price at term-end multiplied by the number of shares outstanding at term-end (after the deduction of treasury stock).

* For the operating cash flow, the “cash flow from operating activities” shown in the consolidated statement of cash flows is used. The interest-bearing debts feature all debts bearing interest among the debts listed in the consolidated balance sheets. For the amount of interest paid, the “interest expenses paid” listed in the consolidated statement of cash flows is used.

* Figures for the interest-bearing debt to cash flow ratio and the interest coverage ratio are not recorded when the operating cash flow figure is negative.

(4) Future Prospects**1) Forecast for the next fiscal year**

In the device business, the Company expects net sales to increase compared to the fiscal year under review; however, the Company also expects segment profit to decrease compared to the fiscal year under review due to a decrease in the gross profit margin caused by changes in the profit structure and to an increase in selling, general and administrative expenses. In the solution business, driven by continued firm demand for DX promotion, the Company expects net sales to increase compared to the fiscal year under review; however, the Company also expects segment profit to decrease compared to the fiscal year under review due to an increase in selling, general and administrative expenses. The Company expects net profit attributable to shareholders of parent company to increase compared to the fiscal year under review due to the scheduled recording of extraordinary profits (gain on sales of non-current assets) associated with the transfer of the Osaka Branch.

As a result, the forecast of business results for the fiscal year ending March 31, 2026 is as follows.

(Forecast for Consolidated Business Performance)

Net sales:	¥164,000 million (up 4.2% YoY)
Operating profit:	¥4,800 million (down 17.1% YoY)
Ordinary profit:	¥4,200 million (down 14.9% YoY)
Net profit attributable to shareholders of parent company:	¥3,650 million (up 3.6% YoY)
Dividend per share:	¥140 (dividend of ¥135 per share in the previous fiscal year)

2) Full-year forecast for assets, liabilities, net assets, and cash flow

We forecast that total assets at the end of the next consolidated fiscal year will be approximately ¥84,100 million, which is about the same level as for the consolidated fiscal year ended March 31, 2025. We forecast that this will mainly be attributable to factors including an increase in notes and accounts receivable—trade, and a decrease in cash and deposits and inventories. Furthermore, we forecast that the balance of interest-bearing debt will be approximately ¥23,500 million, a decrease of approximately ¥600 million compared to the end of the consolidated fiscal year ended March 31, 2025.

We forecast that cash and cash equivalents at the end of the next consolidated fiscal year will be approximately ¥7,200 million, a decrease of approximately ¥2,200 million compared to the end of the consolidated fiscal year ended March 31, 2025. Although proceeds are expected from a decrease in inventories, etc., expenditures are expected from factors such as an increase in notes and accounts receivable—trade.

2. Basic Attitudes Toward the Selection of our Accounting Standards

For the time being, the Group has applied the Japanese standards to its consolidated financial statements, with consideration given to the comparability of the terms of consolidated financial statements and comparability among enterprises.

As regards the application of international accounting standards, the Group is open to appropriately meet these standards upon consideration of both domestic and overseas circumstances.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	8,793	9,361
Notes and accounts receivable - trade, and contract assets	32,012	38,533
Electronically recorded monetary claims - operating	2,472	2,095
Merchandise	22,927	19,750
Partly-finished work	1	5
Accounts receivable - other	103	112
Consumption taxes refund receivable	4,826	4,047
Other	987	1,000
Allowance for doubtful accounts	(28)	(29)
Total current assets	72,095	74,878
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,680	4,682
Accumulated depreciation	(3,497)	(3,572)
Buildings and structures, net	1,182	1,109
Land	1,135	4,760
Leased assets	397	255
Accumulated depreciation	(223)	(126)
Leased assets, net	174	129
Construction in progress	352	-
Other	513	540
Accumulated depreciation	(436)	(472)
Other, net	77	67
Total property, plant and equipment	2,921	6,067
Intangible assets	301	247
Investments and other assets		
Investment securities	3,288	2,242
Deferred tax assets	83	85
Retirement benefit asset	79	353
Other	170	184
Allowance for doubtful accounts	(57)	(10)
Total investments and other assets	3,564	2,854
Total non-current assets	6,788	9,170
Total assets	78,884	84,049

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,350	15,558
Short-term borrowings	23,959	24,121
Lease liabilities	80	63
Income taxes payable	364	846
Provision for bonuses	517	622
Provision for bonuses for directors (and other officers)	56	53
Other	1,621	1,503
Total current liabilities	39,949	42,768
Non-current liabilities		
Lease liabilities	99	72
Deferred tax liabilities	206	420
Provision for share-based payments	150	130
Other	105	106
Total non-current liabilities	561	729
Total liabilities	40,510	43,497
Net assets		
Shareholders' equity		
Share capital	14,811	14,811
Capital surplus	16	16
Retained earnings	26,266	28,553
Treasury shares	(8,758)	(8,712)
Total shareholders' equity	32,335	34,668
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,014	1,038
Deferred gains or losses on hedges	(63)	26
Foreign currency translation adjustment	4,933	4,536
Remeasurements of defined benefit plans	74	215
Total accumulated other comprehensive income	5,959	5,816
Non-controlling interests	77	65
Total net assets	38,373	40,551
Total liabilities and net assets	78,884	84,049

(2) Consolidated Profit and Loss Statement, Consolidated Comprehensive Income Statement
(Consolidated Profit and Loss Statement)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	140,197	157,342
Cost of sales	124,643	140,795
Gross profit	15,553	16,546
Selling, general and administrative expenses	9,804	10,755
Operating profit	5,748	5,791
Non-operating income		
Interest income	114	160
Dividend income	38	41
Other	77	119
Total non-operating income	231	322
Non-operating expenses		
Interest expenses	963	604
Foreign exchange losses	1,077	516
Other	29	58
Total non-operating expenses	2,071	1,179
Ordinary profit	3,908	4,934
Extraordinary income		
Gain on sale of non-current assets	-	0
Gain on sale of investment securities	14	73
Gain on sale of shares of subsidiaries and associates	-	2
Gain on extinguishment of tie-in shares	-	8
Total extraordinary income	14	85
Extraordinary losses		
Loss on retirement of non-current assets	11	-
Loss on sale of investment securities	-	70
Loss on valuation of investment securities	26	18
Total extraordinary losses	37	89
Profit before income taxes	3,886	4,930
Income taxes - current	1,097	1,346
Income taxes - deferred	39	73
Total income taxes	1,137	1,420
Profit	2,748	3,510
Profit (loss) attributable to non-controlling interests	8	(12)
Profit attributable to owners of parent	2,740	3,522

(Consolidated Comprehensive Income Statement)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	2,748	3,510
Other comprehensive income		
Valuation difference on available-for-sale securities	445	24
Deferred gains or losses on hedges	(108)	89
Foreign currency translation adjustment	2,509	(397)
Remeasurements of defined benefit plans, net of tax	235	140
Total other comprehensive income	3,082	(143)
Comprehensive income	5,831	3,366
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,823	3,378
Comprehensive income attributable to non-controlling interests	8	(12)

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,811	16	25,255	(8,777)	31,305
Dividends of surplus			(1,729)		(1,729)
Profit attributable to owners of parent			2,740		2,740
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				19	19
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,010	18	1,029
Balance at end of period	14,811	16	26,266	(8,758)	32,335

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	568	44	2,424	(160)	2,877	69	34,252
Dividends of surplus							(1,729)
Profit attributable to owners of parent							2,740
Purchase of treasury shares							(0)
Disposal of treasury shares							19
Net changes in items other than shareholders' equity	445	(108)	2,509	235	3,082	8	3,090
Total changes during period	445	(108)	2,509	235	3,082	8	4,120
Balance at end of period	1,014	(63)	4,933	74	5,959	77	38,373

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,811	16	26,266	(8,758)	32,335
Dividends of surplus			(1,235)		(1,235)
Profit attributable to owners of parent			3,522		3,522
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				46	46
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,286	46	2,333
Balance at end of period	14,811	16	28,553	(8,712)	34,668

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,014	(63)	4,933	74	5,959	77	38,373
Dividends of surplus							(1,235)
Profit attributable to owners of parent							3,522
Purchase of treasury shares							(0)
Disposal of treasury shares							46
Net changes in items other than shareholders' equity	24	89	(397)	140	(143)	(12)	(155)
Total changes during period	24	89	(397)	140	(143)	(12)	2,178
Balance at end of period	1,038	26	4,536	215	5,816	65	40,551

(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 before income taxes	3,886	4,930
Depreciation	300	290
Amortization of goodwill	26	26
Decrease (increase) in retirement benefit asset or liability	(32)	(62)
Increase (decrease) in allowance for doubtful accounts	2	(0)
Increase (decrease) in provision for share-based payments	33	26
Interest and dividend income	(153)	(202)
Interest expenses	963	604
Loss (gain) on sale of non-current assets	-	(0)
Loss (gain) on extinguishment of tie-in shares	-	(8)
Loss (gain) on sale of investment securities	(14)	(2)
Loss (gain) on valuation of investment securities	26	18
Loss (gain) on sale of shares of subsidiaries and associates	-	(2)
Decrease (increase) in trade receivables	5,962	(6,389)
Decrease (increase) in inventories	3,520	3,141
Increase (decrease) in trade payables	(1,981)	2,332
Decrease (increase) in consumption taxes refund receivable	(4,663)	778
Increase (decrease) in accrued consumption taxes	(7)	(21)
Other, net	513	(266)
Subtotal	8,381	5,192
Interest and dividends received	156	196
Interest paid	(960)	(605)
Income taxes paid	(1,836)	(802)
Net cash provided by (used in) operating activities	5,740	3,980
Cash flows from investing activities		
Purchase of property, plant and equipment	(400)	(3,302)
Purchase of software	(69)	(65)
Proceeds from sale of investment securities	113	1,052
Proceeds from sale of shares of subsidiaries and associates	-	25
Other, net	(8)	67
Net cash provided by (used in) investing activities	(364)	(2,221)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(4,058)	204
Repayments of lease liabilities	(102)	(85)
Net decrease (increase) in treasury shares	(0)	(0)
Dividends paid	(1,721)	(1,230)
Net cash provided by (used in) financing activities	(5,883)	(1,111)
Effect of exchange rate change on cash and cash equivalents	408	(101)
Net increase (decrease) in cash and cash equivalents	(99)	545
Cash and cash equivalents at beginning of period	8,893	8,793
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	21
Cash and cash equivalents at end of period	8,793	9,361

(5) Notes on Consolidated Financial Statements
(Notes Regarding Going Concern)

None

(Additional Information)

Performance-Based Stock Compensation Plan for Directors

The Company has introduced a Performance-Based Stock Compensation Plan for Directors, for the purpose of further clarifying the link between the compensation to the Company's Directors (excluding Directors who are Audit & Supervisory Committee members and External Directors) and the value of its shares. With the introduction of the Performance-Based Stock Compensation Plan, Directors will not only enjoy the advantages when the Company's share price rises but also bear the risks when the share price declines, sharing with shareholders the benefits and risks of fluctuations in share prices. This move is intended ultimately to incentivize Directors to increase medium-to-long-term business results and increase enterprise value.

1) Overview of transactions

In the Performance-Based Stock Compensation Plan, a trust that is funded by Company expenditures acquires shares in the Company. The Board of Directors establishes regulations for the granting of shares, according to which each Director is awarded points for his or her degree of accomplishment of numerical targets based on management indices. Each Director is then awarded the Company's shares in proportion to the points awarded, through the trust. In principle, the shares are awarded to Directors at the time of their resignation or retirement.

2) Accounting treatment of Company shares remaining in the trust

The book value of the trust (net of ancillary expenses) for shares held by the trust was ¥257 million in the previous consolidated fiscal year and ¥211 million in the consolidated fiscal year under review, and is recorded as treasury stock in the shareholders' equity.

The number of said shares was 151,000 as of the end of the previous consolidated fiscal year and 123,000 as of the end of the consolidated fiscal year under review. The average number of shares was 155,000 during the previous consolidated fiscal year and 133,000 during the consolidated fiscal year under review. These shares are included in the shares of treasury stock excluded for calculation of per share information.

Transfer of Non-Current Assets

At the Board of Directors meeting held on February 5, 2025, the Company resolved to transfer certain non-current assets.

Based on this resolution, a transfer agreement was subsequently executed on February 14, 2025.

1) Reason for transfer

In conjunction with the relocation of the Osaka Branch from a Company-owned building to a leased external facility, the land and building previously used by the branch will become idle assets. Consequently, the Company decided to transfer these assets.

2) Details of transferred assets

Address and assets details	Gain on transfer	Current status
Address: 18-25 Enokicho, Suita City, Osaka Prefecture Assets: Land – 642 m ² / Building – 1,582 m ²	¥1.08 billion	Osaka Branch

Note: The Company is refraining from disclosing the transfer price at the request of the buyer. The transfer price was determined through a bidding process and appropriately reflects market value. The recorded gain on transfer represents the amount obtained by deducting the book value and related expenses from the transfer price.

3) Overview of the buyer

Details of the buyer are not disclosed at the request of the buyer.

There are no capital, personnel, or business relationships to be disclosed between the buyer and the Company. Furthermore, the buyer does not fall under the category of a related party of the Company.

4) Transfer schedule

Date of resolution by Board of Directors: February 5, 2025

Date of signing the agreement: February 14, 2025

Date of transfer: May 30, 2025 (scheduled)

5) Impact on performance

As a result of the transfer of the non-current assets, the Company expects to record extraordinary profits of ¥1.08 billion (gain on sales of non-current assets) in the first quarter of the fiscal year ending March 31, 2026.

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Company's reporting segments are those of the Company's constituent units for which segregated financial information is available and is subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate performance.

The Company has established business divisions for each product and service, and each business division formulates a comprehensive strategy for the products and services it handles in Japan and overseas and develops business activities.

Accordingly, the Company is comprised of product and service segments based on business divisions, with two reporting segments: the Devices Business and the Solutions Business.

In addition to selling semiconductors (system LSIs, microcontrollers, power semiconductors, liquid crystal display driver ICs, memory, etc.) and electronic components (connectors, capacitors, LCD panels, modules, etc.) mainly to electronics manufacturers, the Device Business provides technical support such as software development and module development.

The Solutions Business designs and builds network equipment and security products that utilize ICT according to the customer's environment, and provides a one-stop service from operation and maintenance. In addition, we provide mission-critical business systems such as sales and production management, as well as applications such as human resources, payroll, and accounting, in various forms from on-premise to the cloud.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reported business segments is largely identical to the method for preparing consolidated financial statements.

Profit or loss for reporting segments is based on ordinary income and loss.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (April 1, 2023 to March 31, 2024)

(in millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Device business	Solution business	Total		
Sales					
Revenues from external customers	124,905	15,291	140,197	-	140,197
Transactions with other segments	-	-	-	-	-
Total	124,905	15,291	140,197	-	140,197
Segment Profit	2,102	1,806	3,908	-	3,908
Segment Assets	60,879	6,723	67,603	11,280	78,884
Other items					
Depreciation and amortization (Note)3	222	77	300	-	300
Increase in property, plant and equipment and intangible assets	150	14	165	411	577

Note: 1 Adjustments to segment assets include the Company's surplus funds under management (cash and deposits and marketable securities), long-term investment funds (investment securities), and assets related to the management division.

2 Segment profit is adjusted to ordinary income in the consolidated statements of income.

3 Depreciation does not include amortization of goodwill.

The current fiscal year (April 1, 2024 to March 31, 2025)

(in millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Device business	Solution business	Total		
Sales					
Revenues from external customers	139,269	18,072	157,342	-	157,342
Transactions with other segments	-	-	-	-	-
Total	139,269	18,072	157,342	-	157,342
Segment Profit	2,773	2,161	4,934	-	4,934
Segment Assets	62,541	8,943	71,485	12,564	84,049
Other items					
Depreciation and amortization (Note)3	221	69	290	-	290
Increase in property, plant and equipment and intangible assets	47	22	69	3,689	3,759

Note: 1 Adjustments to segment assets include the Company's surplus funds under management (cash and deposits and marketable securities), long-term investment funds (investment securities), and assets related to the management division.

2 Segment profit is adjusted to ordinary income in the consolidated statements of income.

3 Depreciation does not include amortization of goodwill.

(Notes Regarding Segment Information and Other)

[Related information]

March 2024 Term (Apr. 1, 2023 – Mar. 31, 2024)

1. Information of products and services

The information by product and service coincides with that by report segment, and is, therefore, omitted.

2. Information of regions

(1) Net sales

(in millions of yen)

Japan	China	Taiwan	Other Asian countries	North America	Others	Total
40,852	58,993	18,162	20,850	861	476	140,197

Note: Net sales are classified by country or region based on customer location.

(2) Property and equipment

As the amount of property and equipment in Japan exceeds 90% of the amount stated in the consolidated balance sheets, description is omitted.

3. Information of major clients

As none of the items among net sales to outside customers account for 10% or more of net sales on the consolidated profit and loss statement, description is omitted.

March 2025 Term (Apr. 1, 2024 – Mar. 31, 2025)

1. Information of products and services

The information by product and service coincides with that by report segment, and is, therefore, omitted.

2. Information of regions

(1) Net sales

(in millions of yen)

Japan	China	Taiwan	Other Asian countries	North America	Others	Total
60,402	53,111	17,582	24,791	1,131	322	157,342

Note: Net sales are classified by country or region based on customer location.

(2) Property and equipment

As the amount of property and equipment in Japan exceeds 90% of the amount stated in the consolidated balance sheets, description is omitted.

3. Information of major customers

(in millions of yen)

Name of customer	Net sales	Name of related business segment
Nintendo Co., Ltd.	18,196	Device business

[Information regarding impairment loss for non-current assets in each report segment]

None

[Information regarding the amount of amortization of goodwill and the balance in each report segment]

March 2024 Term (Apr. 1, 2023 – Mar. 31, 2024)

(in millions of yen)

	Device segment	Solution segment	Elimination/Corporate	Total
Amount of amortization	26	—	—	26
Balance at term-end	43	—	—	43

March 2025 Term (Apr. 1, 2024 – Mar. 31, 2025)

(in millions of yen)

	Device segment	Solution segment	Elimination/Corporate	Total
Amount of amortization	26	—	—	26
Balance at term-end	16	—	—	16

[Information regarding profit on negative goodwill in each report segment]

None

(Notes Regarding Revenue Recognition)
(Breakdown of revenue generated from contracts with customers)

(in millions of yen)

Report segment	March 2024 Term (Apr. 1, 2023 – Mar. 31, 2024)	March 2025 Term (Apr. 1, 2024 – Mar. 31, 2025)
Device segment		
By type of supplier		
Mechanical parts manufacturers	57,656	61,799
Overseas manufacturers	52,897	54,226
Other manufacturers	14,350	23,243
Subtotal	124,905	139,269
Solution segment		
By business unit (BU)		
Network Systems BU	6,236	7,892
Firefighting and Disaster Preparedness BU	1,279	2,483
Platform BU	2,589	2,270
Application Systems BU	3,152	3,753
Imaging Systems BU	2,034	1,672
Subtotal	15,291	18,072
Total	140,197	157,342

(Notes Regarding Per Share Information)

(Yen)

	March 2024 Term (Apr. 1, 2023 – Mar. 31, 2024)	March 2025 Term (Apr. 1, 2024 – Mar. 31, 2025)
Net assets per share	3,138.10	3,310.15
Net profit per share	224.66	288.20

Notes: 1. Diluted net profit per share is not presented since the Company has no dilutive shares.

2. Shares of the Company which are owned by a trust in connection with the Performance-Based Stock Compensation Plan for Directors (excluding Directors who are Audit & Supervisory Committee members and External Directors) and which are recorded as treasury stock in shareholders' equity are included in the shares of treasury stock that are excluded from the total number of shares outstanding at the end of term for calculation of net assets per share (previous consolidated fiscal year: 151,000 shares, current consolidated fiscal year: 123,000 shares), and also are included in treasury stock excluded in the calculation of amount of average stock during the term for calculation of net profit per share (previous consolidated fiscal year: 155,000 shares, current consolidated fiscal year: 133,000 shares).

3. Net profit per share was calculated on the following basis.

(in millions of yen)

	March 2024 Term (Apr. 1, 2023 – Mar. 31, 2024)	March 2025 Term (Apr. 1, 2024 – Mar. 31, 2025)
Net profit attributable to shareholders of parent company	2,740	3,522
Amount not attributable to ordinary shareholders	—	—
Net profit attributable to shareholders of parent company available to ordinary shares	2,740	3,522
Average shares outstanding available to ordinary shares (thousand shares)	12,199	12,220

4. Other

(1) Changes in Officers (Scheduled for June 20, 2025)

1) Changes in representatives

None

2) Changes in other officers

• Candidate for new Director

Director, Operating Officer Hiroshi Fukui [Operating Officer, Deputy Senior General Manager of Solution Marketing & Sales Division]

• Director scheduled for retirement

Hiroshi Harada [Director, Senior Operating Officer, Deputy Senior General Manager of Solution Marketing & Sales Division]

(After retirement, scheduled to assume the position of Senior Operating Officer, Deputy Senior General Manager of Solution Marketing & Sales Division)

Current position is listed in square brackets [].