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



May 15, 2025

Company name: Shinko Shoji Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 8141  
 URL: <http://www.shinko-sj.co.jp/>  
 Representative: Tatsuya Ogawa, President and Representative Director  
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 Phone: +81-3-6361-8111  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2025  
 Scheduled date of commencing dividend payments: June 17, 2025  
 Scheduled date of filing annual securities report: June 24, 2025  
 Availability of supplementary briefing material on financial results: Available  
 Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

**1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)**

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	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	116,008	(34.0)	637	(86.9)	578	(87.9)	505	(84.2)
March 31, 2024	175,847	(1.8)	4,878	(31.6)	4,768	(30.3)	3,194	(32.1)

(Note) Comprehensive income: Fiscal year ended March 31, 2025: 252 million yen [(95.6)%]  
 Fiscal year ended March 31, 2024: 5,789 million yen [(8.1)%]

	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	15.75	—	0.9	0.6	0.5
March 31, 2024	96.53	—	6.0	4.8	2.8

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

Fiscal year ended March 31, 2025: (2) million yen

Fiscal year ended March 31, 2024: –million yen

(Note) The average number of shares during the period used for calculating basic earnings per share is calculated by excluding the number of shares held in own name as well as treasury shares held by the board benefit trust of 474,669 shares for the fiscal year ended March 31, 2024 and 471,500 shares for the fiscal year ended March 31, 2025 and treasury shares held by the employee benefit trust of 317,831 shares for the fiscal year ended March 31, 2024 and 620,146 shares for the fiscal year ended March 31, 2025.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	80,051	52,539	64.6	1,737.80
As of March 31, 2024	99,813	56,119	55.4	1,671.25

(Reference) Equity: As of March 31, 2025: 51,701 million yen

As of March 31, 2024: 55,328 million yen

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	31,718	(3,087)	(11,565)	30,359
March 31, 2024	4,697	105	(2,757)	13,157

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	–	26.50	–	22.00	48.50	1,643	50.2	3.0
Fiscal year ended March 31, 2025	–	7.50	–	8.00	15.50	504	98.4	0.9
Fiscal year ending March 31, 2026 (Forecast)	–	4.50	–	5.00	9.50		51.4	

\* Revisions to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	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
Full year	100,000	(13.8)	700	9.8	700	21.0	550	8.9	18.49

(Note) In the consolidated financial results forecast for the fiscal year ending March 31, 2026, only the full year forecast is disclosed as reasonable estimates of the financial results forecast for the first six months is difficult at this time. For details, please refer to “1. Overview of Operating Results, etc., (4) Future Outlook” on page 4 of the attached document.

**\*Notes:**

- (1) Changes in significant subsidiaries during the period: Yes  
(Changes in specified subsidiaries resulting in changes in scope of consolidation)

Newly included: 1 company (AIRUCA Inc.)  
Excluded: None

(Note) For details, please refer to “3. Consolidated Financial Statements and Primary Notes, (5) Notes to Consolidated Financial Statements” on page 13 of the attached document.

- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No

(Note) For details, please refer to “3. Consolidated Financial Statements and Primary Notes, (5) Notes to Consolidated Financial Statements” on page 13 of the attached document.

- (3) Total number of issued shares (common shares)

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

March 31, 2025: 38,010,566 shares  
March 31, 2024: 38,010,566 shares

- 2) Total number of treasury shares at the end of the period:

March 31, 2025: 8,259,548 shares  
March 31, 2024: 4,904,651 shares

- 3) Average number of shares during the period:

Fiscal year ended March 31, 2025: 32,081,041 shares  
Fiscal year ended March 31, 2024: 33,097,255 shares

(Notes)

1. The total number of treasury shares at the end of the period includes the Company’s shares held by the board benefit trust of 471,500 shares for the fiscal year ended March 31, 2024 and 471,500 shares for the fiscal year ended March 31, 2025 and the Company’s shares held by the employee benefit trust of 312,300 shares for the fiscal year ended March 31, 2024 and 637,000 shares for the fiscal year ended March 31, 2025.
2. Treasury shares excluded for calculation of the average number of shares during the period includes the Company’s shares held by the board benefit trust of 474,669 shares for the fiscal year ended March 31, 2024 and 471,500 shares for the fiscal year ended March 31, 2025 and the Company’s shares held by the employee benefit trust of 317,831 shares for the fiscal year ended March 31, 2024 and 620,146 shares for the fiscal year ended March 31, 2025.

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	68,628	(41.0)	(2)	—	(99)	—	346	(81.2)
March 31, 2024	116,403	(2.0)	2,924	(27.4)	2,690	(28.3)	1,842	(30.6)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	10.79	—
March 31, 2024	55.67	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	49,628	29,866	60.2	1,003.88
As of March 31, 2024	66,380	34,254	51.6	1,034.70

(Reference) Equity: As of March 31, 2025: 29,866 million yen  
As of March 31, 2024: 34,254 million yen

<Reason for the Variance from the Previous Fiscal Year's Non-Consolidated Operating Results>

Due to booking disposal loss for part of EOL products and the termination of the distribution agreement with Renesas Electronics Corporation on September 30, 2024, etc., there were variances in performance during this fiscal year compared to the previous fiscal year.

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

\* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that the Company has deemed reasonable. These statements are not intended as the Company's commitment to achieve them, and actual results may differ significantly from these forecasts due to a wide range of factors.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2025, despite an ongoing gradual recovery, the outlook for the Japanese economy remained uncertain due to the US trade policies bringing major unpredictability to the global economy. In the electronics industry, demand remained weak worldwide except for AI-related products, and the inventory adjustment continued.

Our Company ended its distribution agreement with Renesas Electronics Corporation, its major supplier, on September 30, 2024. Under these situations, our group (our Company and consolidated subsidiaries) posted overall results at a decreased level compared with the previous year in the businesses related to industrial products, automotive electronic products, OA products, and amusement products which are our core businesses. As a result, the business performances during the fiscal year ended March 31, 2025 were: net sales 116,008 million yen (34.0% decrease compared with the previous year); operating profit 637 million yen (86.9% decrease); ordinary profit 578 million yen (87.9% decrease); and profit attributable to owners of parent 505 million yen (84.2% decrease). Business performances per segment are as follows.

A portion of net sales of electronic devices previously reported in the Electronic Device Business has been reported in the Other Businesses from this fiscal year. The net sales for the previous year were reclassified in accordance with the changed segment for the financial results comparison and analysis.

#### Electronic Device Business

All businesses, including the businesses related to industrial products, remained sluggish.

As a result of the above, net sales were: semiconductors 48,272 million yen (52.2% decrease compared with the previous year), electronic devices 43,657 million yen (9.4% decrease), and overall 91,930 million yen (38.4% decrease).

#### Assembly Business

The businesses related to amusement products remained sluggish.

As a result of the above, net sales of assembly products were 16,599 million yen (7.5% decrease compared with the previous year).

#### Other Businesses

Due to decreased sales of electronic products and machinery and equipment, net sales were 7,478 million yen (14.0% decrease compared with the previous year).

### (2) Overview of Financial Position for the Fiscal Year under Review

#### (Assets)

Total assets at the end of the fiscal year under review decreased by 19,762 million yen from the end of the previous year to 80,051 million yen. This is mainly attributable to increases in cash and deposits and securities of 15,226 million yen, 2,995 million yen, respectively, despite decreases in notes and accounts receivable - trade, and contract assets and merchandise and finished goods of 19,814 million yen, 16,603 million yen, respectively.

#### (Liabilities)

Total liabilities at the end of the fiscal year under review decreased by 16,182 million yen from the end of the previous year to 27,511 million yen. This is mainly attributable to decreases in short-term borrowings, notes and accounts payable – trade, Long-term borrowings of 6,711 million yen, 5,985 million yen, 3,500 million yen, respectively, despite an increase in current portion of long-term borrowings of 2,800 million yen.

(Net assets)

Total net assets at the end of the fiscal year under review decreased by 3,579 million yen from the end of the previous year to 52,539 million yen. This is mainly attributable to an increase in treasury shares of 2,846 million yen and a decrease in valuation difference on available-for-sale securities of 896 million yen.

This resulted in an equity ratio of 64.6% (55.4% at the end of the previous year).

### (3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (hereinafter referred to as “Net Cash”) at the end of the fiscal year under review increased by 17,201 million yen from the end of the previous year to 30,359 million yen, mainly due to decreases in trade receivables, inventories, short-term borrowings as profit before income taxes was 1,190 million yen (74.5% decrease from the previous fiscal year).

Status of cash flows and factors behind them for the fiscal year ended March 31, 2025 are as follows.

(Cash flows from operating activities)

Net Cash provided in operating activities was 31,718 million yen (4,697 million yen provided in the previous fiscal year). This is mainly attributable to 1,190 million yen in profit before income taxes and decreases in trade receivables, inventories, 20,284 million yen, 17,048 million yen, respectively, despite decreases in trade payable, other assets/liabilities of 5,543 million yen, 2,361 million yen, respectively.

(Cash flows from investing activities)

Net Cash used in investing activities was 3,087 million yen (105 million yen provided in the previous fiscal year). This is mainly attributable to 3,122 million yen in purchase of investment securities and 997 million yen in purchase of securities, despite 1,508 million yen in proceeds from sale of investment securities.

(Cash flows from financing activities)

Net Cash used in financing activities was 11,565 million yen (2,757 million yen used in the previous fiscal year). This is mainly attributable to 6,872 million yen in net decrease in short-term borrowings, 3,307 million yen in purchase of treasury shares, 1,006 million yen in dividends paid, 700 million yen in repayments of long-term borrowings, despite 405 million yen in proceeds from sale of treasury shares.

#### (Reference) Trends in cash flow-related indicators

	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 (%)	67.7	57.8	52.5	55.4	64.6
Equity ratio on a market value basis (%)	40.4	37.3	41.0	39.7	33.5
Cash flow to interest-bearing debt ratio (%)	–	–	–	377.5	32.5
Interest coverage ratio (times)	–	–	–	25.5	270.7

Equity ratio: equity / total assets

Equity ratio on market value basis: market capitalization / total assets

Cash flow to interest-bearing debt ratio: interest-bearing debt / cash flow

Interest coverage ratio: operating cash flow / interest expense

Note 1) All of the above indicators are calculated from financial figures on a consolidated basis.

Note 2) Market capitalization is calculated based on the number of outstanding shares after deducting treasury shares.

Note 3) Operating cash flow is used for cash flows.

Note 4) Interest-bearing debt includes all liabilities on which interest is paid, out of liabilities recorded in consolidated balance sheets.

#### (4) Future Outlook

The Company projects consolidated financial results for the fiscal year ending March 31, 2026 of consolidated net sales of 100,000 million yen, operating profit of 700 million yen, ordinary profit of 700 million yen, and profit attributable to owners of parent of 550 million yen. Regarding dividends, we plan to pay an annual dividend of 9.5 yen per share based on a target consolidated payout ratio of 50%.

#### 2. Basic Policy on Selection of Accounting Standards

The Group's policy is to prepare its consolidated financial statements in accordance with Japanese GAAP, for the time being, taking into consideration the comparability of the consolidated financial statements from period to period and the comparability among companies.

The Group intends to consider the application of international accounting standards (IFRS) in the future, based on trends in the ratio of foreign shareholders and the application of IFRS by other domestic companies in the same industry.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	13,389	28,616
Notes and accounts receivable - trade, and contract assets	36,410	16,595
Securities	–	2,995
Merchandise and finished goods	31,683	15,079
Work in process	52	80
Accounts receivable - other	11,128	7,865
Other	206	323
Allowance for doubtful accounts	(41)	(39)
Total current assets	92,829	71,517
Non-current assets		
Property, plant and equipment		
Buildings and structures	841	889
Accumulated depreciation	(666)	(694)
Buildings and structures, net	174	195
Land	200	200
Other	1,243	1,165
Accumulated depreciation	(924)	(909)
Other, net	318	256
Total property, plant and equipment	693	651
Intangible assets	218	103
Investments and other assets		
Investment securities	4,465	6,103
Deferred tax assets	307	360
Other	1,298	1,315
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	6,071	7,779
Total non-current assets	6,983	8,534
Total assets	99,813	80,051

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	16,354	10,369
Electronically recorded obligations - operating	2,400	3,213
Short-term borrowings	8,982	2,270
Current portion of long-term borrowings	700	3,500
Accounts payable - other	1,359	187
Income taxes payable	607	273
Provision for bonuses	590	466
Provision for bonuses for directors	98	33
Other	2,309	942
Total current liabilities	33,401	21,255
Non-current liabilities		
Long-term borrowings	7,800	4,300
Deferred tax liabilities	677	350
Provision for share awards for directors	124	124
Provision for share awards for employees	435	412
Retirement benefit liability	802	600
Other	451	467
Total non-current liabilities	10,291	6,255
Total liabilities	43,693	27,511
Net assets		
Shareholders' equity		
Share capital	9,501	9,501
Capital surplus	9,599	9,616
Retained earnings	34,518	34,020
Treasury shares	(4,585)	(7,431)
Total shareholders' equity	49,034	45,707
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,850	953
Deferred gains or losses on hedges	0	(0)
Revaluation reserve for land	(61)	(61)
Foreign currency translation adjustment	4,484	5,074
Remeasurements of defined benefit plans	18	26
Total accumulated other comprehensive income	6,293	5,993
Non-controlling interests	791	838
Total net assets	56,119	52,539
Total liabilities and net assets	99,813	80,051

(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated Statements of Income for the fiscal year ended March 31, 2025)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	175,847	116,008
Cost of sales	161,144	106,762
Gross profit	14,702	9,245
Selling, general and administrative expenses	9,823	8,608
Operating profit	4,878	637
Non-operating income		
Interest income	83	223
Dividend income	108	120
Purchase discounts	7	16
Subsidy income	14	–
Miscellaneous income	38	46
Total non-operating income	252	407
Non-operating expenses		
Interest expenses	171	119
Foreign exchange losses	119	263
Share of loss of entities accounted for using equity method	–	2
Arrangement fee	54	–
Miscellaneous expenses	16	81
Total non-operating expenses	363	466
Ordinary profit	4,768	578
Extraordinary income		
Gain on liquidation of subsidiaries and associates	80	–
Gain on sale of non-current assets	–	1
Gain on sale of investment securities	83	979
Gain on sale of golf club membership	–	22
Total extraordinary income	163	1,003
Extraordinary losses		
Impairment losses	–	20
Loss on sale and retirement of non-current assets	33	7
Settlement payments	232	–
Extra retirement payments	–	362
Total extraordinary losses	266	390
Profit before income taxes	4,666	1,190
Income taxes - current	1,550	639
Income taxes - deferred	(159)	(0)
Income taxes	1,390	639
Profit	3,275	551
Profit attributable to non-controlling interests	80	45
Profit attributable to owners of parent	3,194	505

(Consolidated Statements of Comprehensive Income for the fiscal year ended March 31, 2025)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	3,275	551
Other comprehensive income		
Valuation difference on available-for-sale securities	789	(894)
Deferred gains or losses on hedges	1	(1)
Foreign currency translation adjustment	1,730	589
Remeasurements of defined benefit plans, net of tax	(6)	7
Total other comprehensive income	2,514	(298)
Comprehensive income	5,789	252
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,698	205
Comprehensive income attributable to non-controlling interests	90	47

## (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained Earnings	Treasury shares	Total shareholder's equity
Balance at beginning of period	9,501	9,599	33,577	(4,608)	48,070
Changes during period					
Dividends of surplus			(2,253)		(2,253)
Profit attributable to owners of parent			3,194		3,194
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				23	23
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	941	23	964
Balance at end of period	9,501	9,599	34,518	(4,585)	49,034

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,063	(0)	(61)	2,762	25	3,789	700	52,560
Changes during period								
Dividends of surplus								(2,253)
Profit attributable to owners of parent								3,194
Purchase of treasury shares								(0)
Disposal of treasury shares								23
Net changes in items other than shareholders' equity	786	1	—	1,722	(6)	2,503	90	2,594
Total changes during period	786	1	—	1,722	(6)	2,503	90	3,558
Balance at end of period	1,850	0	(61)	4,484	18	6,293	791	56,119

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained Earnings	Treasury shares	Total shareholder's equity
Balance at beginning of period	9,501	9,599	34,518	(4,585)	49,034
Changes during period					
Dividends of surplus			(1,002)		(1,002)
Profit attributable to owners of parent			505		505
Purchase of treasury shares				(3,307)	(3,307)
Disposal of treasury shares		16		460	477
Net changes in items other than shareholders' equity					—
Total changes during period	—	16	(497)	(2,846)	(3,327)
Balance at end of period	9,501	9,616	34,020	(7,431)	45,707

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,850	0	(61)	4,484	18	6,293	791	56,119
Changes during period								
Dividends of surplus								(1,002)
Profit attributable to owners of parent								505
Purchase of treasury shares								(3,307)
Disposal of treasury shares								477
Net changes in items other than shareholders' equity	(896)	(1)	—	590	7	(299)	47	(252)
Total changes during period	(896)	(1)	—	590	7	(299)	47	(3,579)
Balance at end of period	953	(0)	(61)	5,074	26	5,933	838	52,539

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,666	1,190
Depreciation	375	350
Impairment losses	–	20
Amortization of goodwill	18	9
Increase (decrease) in allowance for doubtful accounts	(5)	(1)
Share of loss (profit) of entities accounted for using equity method	–	2
Increase (decrease) in provision for bonuses for directors	(31)	(64)
Increase (decrease) in provision for share awards for directors	16	–
Increase (decrease) in provision for share awards for employees	113	(23)
Increase (decrease) in provision for bonuses	(196)	(123)
Increase (decrease) in retirement benefit liability	(14)	(202)
Interest and dividend income	(192)	(343)
Interest expenses	171	119
Loss (gain) on sale and retirement of property, plant and equipment	33	6
Loss (gain) on sale of investment securities	(83)	(979)
Settlement payments	232	–
Decrease (increase) in trade receivables	3,383	20,284
Decrease (increase) in accounts receivable - other	196	3,494
Decrease (increase) in inventories	697	17,048
Increase (decrease) in trade payables	(496)	(5,543)
Increase (decrease) in accrued consumption taxes	484	(189)
Increase/decrease in other assets/liabilities	(1,727)	(2,361)
Non cash flow transaction	(183)	20
Subtotal	7,459	32,713
Interest and dividends received	192	340
Interest paid	(184)	(117)
Income taxes refund (paid)	(2,537)	(1,219)
Settlement paid	(232)	–
Net cash provided by (used in) operating activities	4,697	31,718
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(130)	(3,122)
Proceeds from sale of investment securities	285	1,508
Purchase of securities	–	(997)
Purchase of property, plant and equipment	(106)	(77)
Proceeds from sale of property, plant and equipment	–	0
Purchase of intangible assets	(42)	(17)
Proceeds from liquidation of subsidiaries and associates	132	–
Purchase of shares of subsidiaries and associates	–	(314)
Purchase of other investments	(45)	(88)
Proceeds from sales and cancelation of other investments	11	20
Net cash provided by (used in) investing activities	105	(3,087)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(123)	(6,872)
Proceeds from long-term borrowings	1,300	–
Repayments of long-term borrowings	(1,600)	(700)
Repayments of lease liabilities	(85)	(84)
Purchase of treasury shares	(0)	(3,307)
Dividends paid	(2,248)	(1,006)
Proceeds from sale of treasury shares	–	405
Net cash provided by (used in) financing activities	(2,757)	(11,565)
Effect of exchange rate change on cash and cash equivalents	365	136
Net increase (decrease) in cash and cash equivalents	2,411	17,201
Cash and cash equivalents at beginning of period	10,746	13,157
Cash and cash equivalents at end of period	13,157	30,359

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in scope of consolidation or scope of equity method to be applied)

AIRUCA Inc. is included in scope of equity method from this fiscal year.

(Changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes)

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”), etc. have been adopted from the beginning of the six months ended September 30, 2024.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on the semi-annual consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of this fiscal year. This change in accounting policies was applied retrospectively.

Hence, the consolidated financial statements for the previous fiscal year have been modified retrospectively. This change in accounting policies has no impact on the consolidated financial statements for the previous fiscal year.

(New accounting standards not yet applied)

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

and other amendments to related accounting standards, implementation guidance, practical solutions, and transferred guidance

(1) Overview

Similar to international accounting standards, the standard and guidance stipulate the treatment of all leases by a lessee, including recording of assets and liabilities.

(2) Scheduled date of application

To be applied from the beginning of the fiscal year ending March 31, 2028.

(3) Impact of application of this accounting standard

The impact due to the application of the “Accounting Standard for Leases,” etc. on the consolidated financial statements is currently being evaluated.

(Segment information, etc.)

[Segment information]

1. Summary of reportable segments

The Group’s reportable segments are components of the Group for which separate financial information is available and which are subject to management review by the Board of Directors.

The Group is engaged in sales of electronic devices, assembly products, and electronic products, as well as contract development of microcomputer software at its headquarters and domestic and overseas locations.

Consequently, the Group has three reportable segments: “Electronic Device Business,” “Assembly Business,” and “Other Businesses,” with categories based on the type of products handled.

The main products in the Electronic Device Business segment are semiconductors and electronic devices. The main products of the Assembly Business are assembly products. The Other Businesses segment mainly sells electronic products and performs contract development of microcomputer software.

2. Calculation of net sales, profit (loss), assets, liabilities and other items by reportable segment

The accounting method for reported business segments is the same as that described in “Significant accounting policies for preparation of consolidated financial statements.”

Profit by reportable segment is based on operating profit.

3. Information on 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				Adjustment amount	Amounts recorded in the consolidated financial statements
	Electronic device business	Assembly business	Other businesses	Total		
Net sales:						
Sales to external customers	149,212	17,937	8,697	175,847	–	175,847
Inter-segment sales and transfers	–	–	–	–	–	–
Total	149,212	17,937	8,697	175,847	–	175,847
Segment profit	6,088	825	252	7,166	(2,287)	4,878
Segment assets	64,586	9,760	2,664	77,011	22,801	99,813
Segment liabilities	15,712	3,480	412	19,605	24,088	43,693
Other items:						
Depreciation	–	–	15	15	360	375
Impairment losses	–	–	–	–	–	–
Increase in property, plant and equipment and intangible assets	–	–	20	20	128	148

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

(Millions of yen)

	Reportable segment				Adjustment amount	Amounts recorded in the consolidated financial statements
	Electronic device business	Assembly business	Other businesses	Total		
Net sales:						
Sales to external customers	91,930	16,599	7,478	116,008	–	116,008
Inter-segment sales and transfers	–	–	–	–	–	–
Total	91,930	16,599	7,478	116,008	–	116,008
Segment profit	1,557	669	399	2,626	(1,988)	637
Segment assets	27,808	6,091	3,157	37,057	42,993	80,051
Segment liabilities	10,235	2,354	992	13,582	13,928	27,511
Other items:						
Depreciation	–	–	17	17	332	350
Impairment losses	20	0	0	20	–	20
Increase in property, plant and equipment and intangible assets	–	–	21	21	72	94

(Note) As a result of the review of the performance segment classification, some transactions related to industrial products, which were classified in the Electronic Device Business in the previous fiscal year, have been included in the Other Businesses starting in this fiscal year. The segment information for the previous fiscal year was prepared in accordance with the changed classification method.

4. Differences between the totals of reportable segments and the amounts recorded in the consolidated financial statements, and major components of such differences (notes on adjustments)

(Millions of yen)

Profit	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Reportable segment total	7,166	2,626
Companywide expenses (Note)	(2,287)	(1,988)
Operating profit on consolidated financial statements	4,878	637

(Note) Companywide expenses consist mainly of common expenses not attributable to reportable segments and administrative division expenses.

(Millions of yen)

Assets	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Reportable segment total	77,011	37,057
Companywide assets (Note)	22,801	42,993
Total assets on consolidated financial statements	99,813	80,051

(Note) Companywide assets consist mainly of common assets, etc. not attributable to reportable segments and administrative assets, etc. in the administrative division.

(Millions of yen)

Liabilities	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Reportable segment total	19,605	13,582
Companywide liabilities (Note)	24,088	13,928
Total liabilities on consolidated financial statements	43,693	27,511

(Note) Companywide liabilities consist mainly of common liabilities, etc. not attributable to reportable segments and administrative liabilities, etc. in the administrative division.

(Millions of yen)

Other	Reportable Segment Total		Adjustment amount		Amounts recorded in the consolidated financial statements	
	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year
Depreciation	15	17	360	332	375	350
Impairment losses	–	20	–	–	–	20
Increase in property, plant and equipment, and intangible assets	20	21	128	72	148	94

(Note) Amounts in the adjustment amount column are mainly for common assets, etc. not attributable to reportable segments, and administrative assets, etc. in the administrative division.

(Per share information)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	1,671.25 yen	1,737.80 yen
Basic earnings per share	96.53 yen	15.75 yen

- (Notes) 1. Diluted earnings per share are not stated since there are no dilutive shares.
2. The number of shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account E) is included as treasury shares in calculation of treasury shares in shareholders' equity. For the purpose of calculating the amounts of net assets per share, it was included in the number of treasury shares, which was to be deducted from the number of shares issued at the end of the fiscal year. For the purpose of calculating basic earnings per share, it was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares during the period.
- Number of such treasury shares at the end of the fiscal year deducted from the calculation of net assets per share
- Board Benefit Trust (BBT) for officers  
471,500 shares for the previous fiscal year and 471,500 shares for the current fiscal year
- Employee Stock Ownership Plan (J-ESOP)  
312,300 shares for the previous fiscal year and 637,000 shares for the current fiscal year
- Average number of such treasury shares during the period deducted from the calculation of basic earnings per share
- Board Benefit Trust (BBT) for officers  
474,669 shares for the previous fiscal year and 471,500 shares for the current fiscal year
- Employee Stock Ownership Plan (J-ESOP)  
317,831 shares for the previous fiscal year and 620,146 shares for the current fiscal year

3. The basis for calculating basic earnings per share is as follows

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit attributable to owners of parent (millions of yen)	3,194	505
Amount not attributable to common shareholders (millions of yen)	–	–
Profit attributable to owners of parent relating to common shares (millions of yen)	3,194	505
Average number of shares during the period (thousands of shares)	33,097	32,081

(Significant subsequent events)

Not applicable.