

# Briefing Materials on the Financial Results for the First Half of the Year Ending March 2026

November 6, 2025

SANSHIN ELECTRONICS CO., LTD.

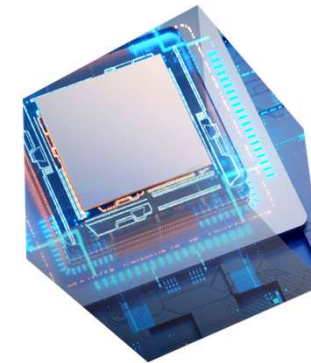
Toshiro Suzuki, Representative Director, CEO

As a general electronics trading company committed to being “customers’ best partner,” Sanshin Electronics runs two major businesses: device business and solution business.

### Device Business

— Addressing diversified market needs through a wide product lineup —

We cover a wide array of manufacturers, from both domestic and overseas major semiconductors/electronic parts makers all the way to emerging manufacturers that are currently developing products with excellent performance. In a time when market needs are constantly diversifying, we respond to our customers’ requests through a full lineup and detailed system of both domestic and overseas sales.



### Solution Business

— Building up social infrastructures interconnected through ICT —

With information and telecommunications network at the core of our operations, we are committed to proposing and building up the optimal system to fit our customers’ needs. We provide our customers with a safe and reliable infrastructure through bundled services, including a support menu, after the system implementation.



# I. Year Ending March 2026 Performance Summary for the First Half

# First Half of the Year Ending March 2026 Consolidated Performance Summary

(Unit: ¥100 million)

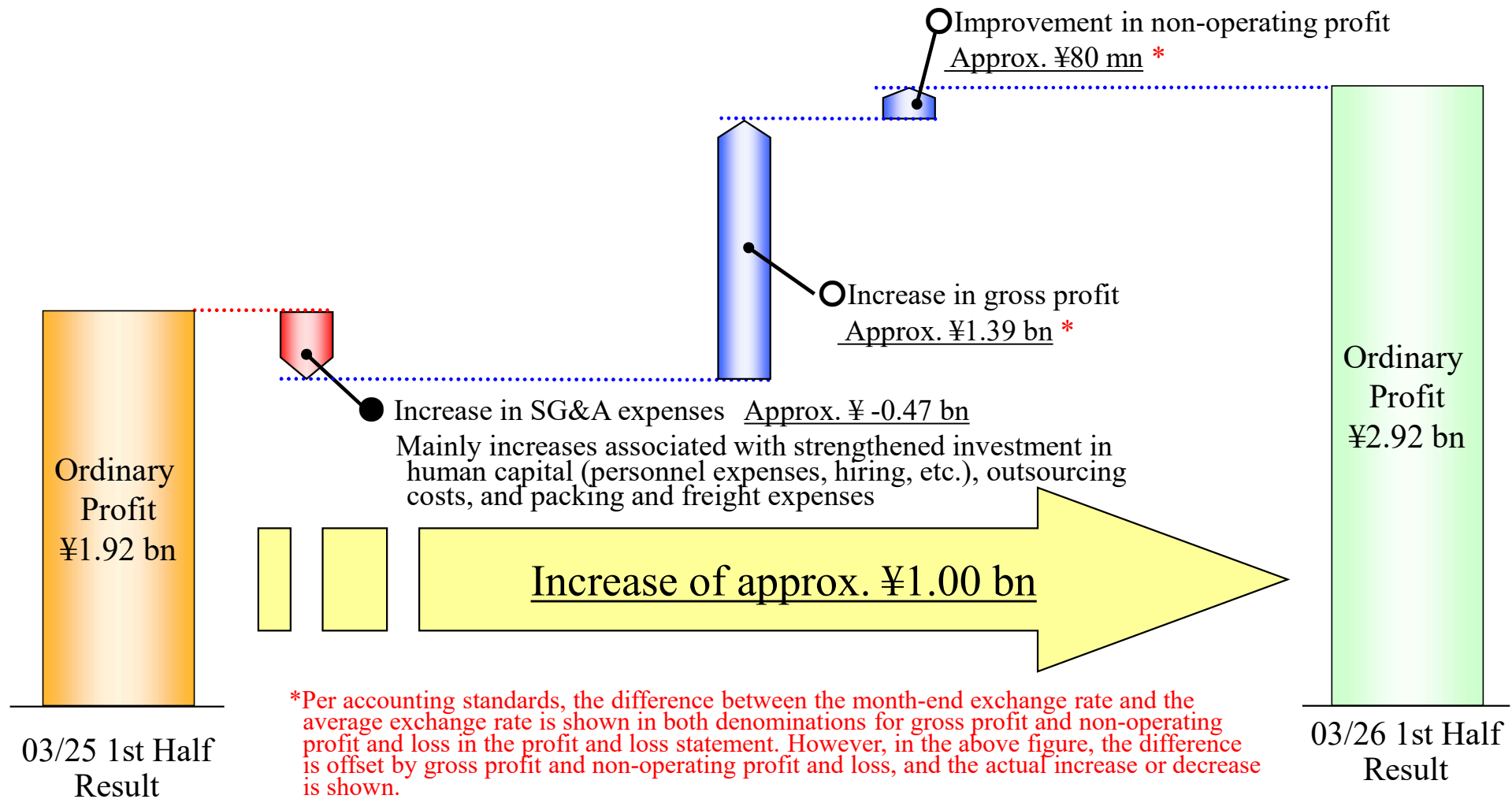


■ Although SG&A expenses increased, earnings increased YoY due to a rise in net sales.

	03/25 1st Half Result	03/26 1st Half Result	YoY Change	Forecast*	Achievement Ratio
Net Sales	751.5	877.8	117%	877.0	100%
Gross Profit on Sales	9.9% 74.3	10.2% 89.5	120%	Not announced	—
SG&A Expenses	6.9% 52.1	6.5% 56.8	109%	Not announced	—
Operating Profit	3.0% 22.3	3.7% 32.7	147%	3.6% 32.0	102%
Ordinary Profit	2.6% 19.2	3.3% 29.2	152%	3.3% 29.0	101%
Net Profit Attributable to Shareholders of Parent Company	1.8% 13.6	2.9% 25.3	186%	2.9% 25.0	101%
Interim Dividend Per Share	¥30	¥40	+¥10	¥40	±¥0
Exchange Rate (1 US dollar)	¥152.61	¥146.04	¥-6.57	Not announced	—

\*Forecast figures announced in the Notice Regarding Upward Revision of Consolidated Business Results Forecast for the First Half of the Fiscal Year (interim period) (announced on October 27, 2025).

# First Half of the Year Ending March 2026 Year-to-Year Comparison of Consolidated Ordinary Profit



# First Half of the Year Ending March 2026

## Consolidated Performance Summary by Segment (Unit: ¥100 million)



### ■ Device Business

Both sales and earnings increased YoY as some projects were brought forward due to uncertainty about US tariff policy.

### ■ Solution Business

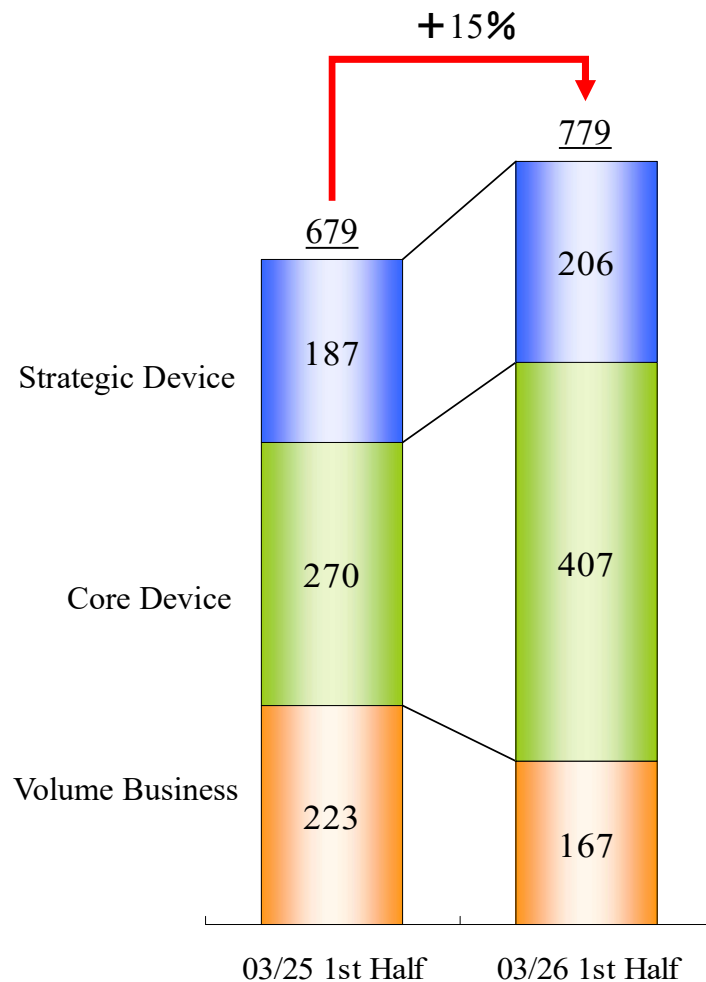
Both sales and earnings increased YoY due to overall firm trends, with focus on network business for corporate customers, as well as the effects of projects brought forward.

		03/25 1st Half Result	03/26 1st Half Result	YoY Change
Device Business	Net Sales	679.2	779.5	115%
	Operating Profit	3.2% 21.7	3.0% 23.4	108%
	Segment Profit	2.0% 13.3	1.8% 14.4	108%
Solution Business	Net Sales	72.3	98.3	136%
	Operating Profit	11.2% 8.1	17.4% 17.1	211%
	Segment Profit	8.3% 6.0	15.1% 14.8	247%
Exchange rate (1 US dollar)		¥152.61	¥146.04	¥-6.57

\*The figure in the YoY Change section for exchange rate represents an increase or decrease in amount.

# First Half of the Year Ending March 2026

## Year-to-Year Comparison of Consolidated Net Sales (Unit: ¥100 million)



### By Business Category of Device Business

#### 【Year-to-Year Comparison of Fluctuations】

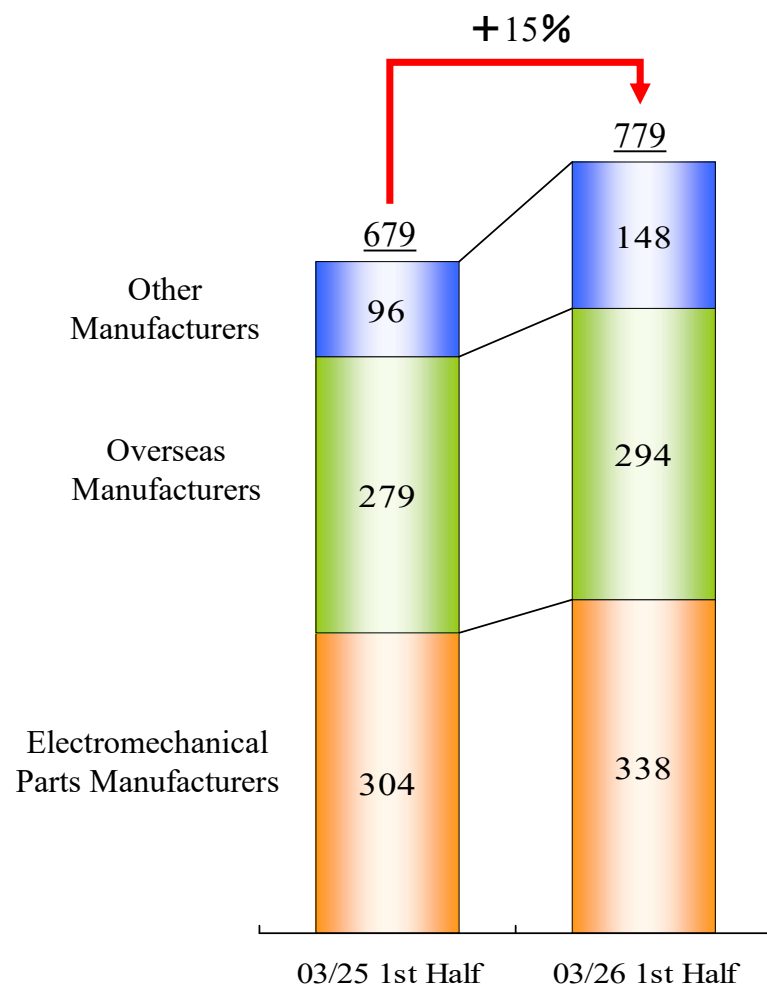
- Strategic Device (up 10% YoY)
  - Increase in overseas sales of vehicle-mounted products
- Core Device (up 51% YoY)
  - Increase in sales of products such as connectors and LCDs
- Volume Business (down 25% YoY)
  - Decrease for mobile devices

# First Half of the Year Ending March 2026

## Year-to-Year Comparison of Consolidated Net Sales (Unit: ¥100 million)



三信電気株式会社  
SANSHIN ELECTRONICS CO., LTD.



### By Supplier of Device Business

#### 【Year-to-Year Comparison of Fluctuations】

- Other Manufacturers (up 54% YoY)
  - Increase in LCDs for vehicle-mounted products
- Overseas Manufacturers (up 5% YoY)
  - Increase in vehicle-mounted products
- Electromechanical Parts Manufacturers (up 11% YoY)
  - Increase in connectors

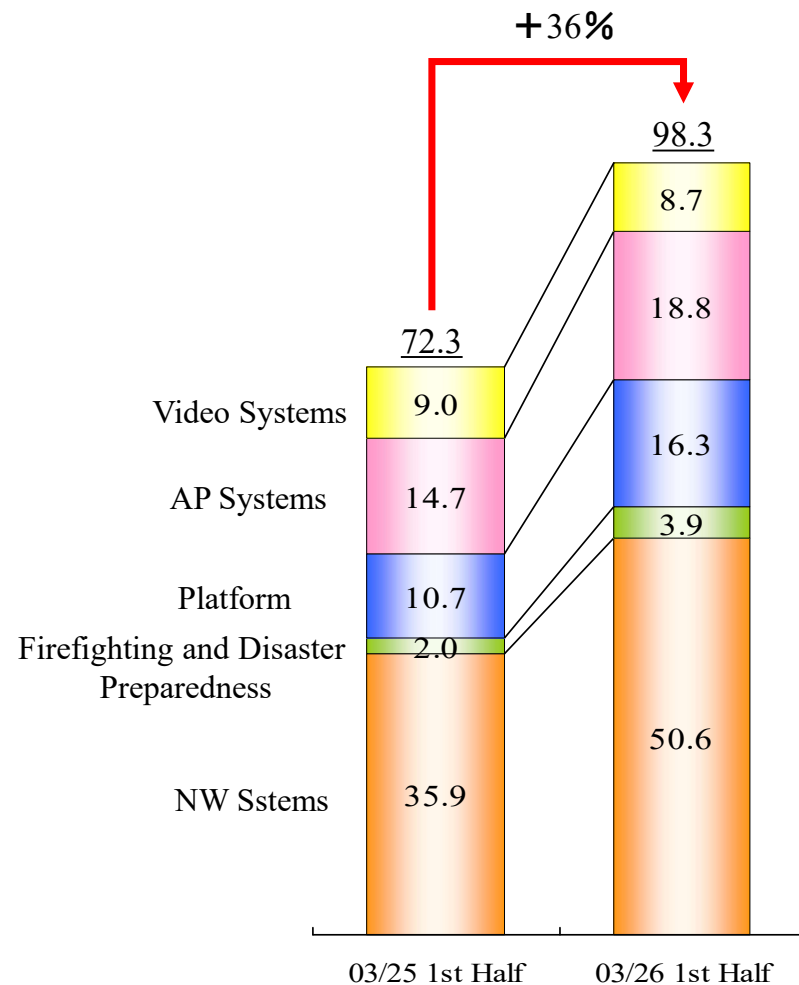


# First Half of the Year Ending March 2026

## Year-to-Year Comparison of Consolidated Net Sales (Unit: ¥100 million)



三信電気株式会社  
SANSHIN ELECTRONICS CO., LTD.



### By Sector of Solution Business

#### 【Year-to-Year Comparison of Fluctuations】

- Video Systems (down 3% YoY)
  - Decrease in streaming projects
- AP Systems (up 28% YoY)
  - Increase due to acquisition of large-scale projects
- Platform (up 52% YoY)
  - Increase in server-related sales
- Firefighting and Disaster Preparedness (up 95% YoY)
  - Increase due to acquisition of new maintenance projects
- NW Systems (up 41% YoY)
  - Increase due to favorable trends in networking projects for large corporations

# First Half of the Year Ending March 2026

## Consolidated Financial Situation

(Unit: ¥100 million)



- Total assets were ¥87.3 bn as of September 30, 2025, up ¥3.3 bn compared to the end of the previous fiscal year, mainly due to an increase in accounts receivable from an increase in sales.
- Interest-bearing liabilities decreased by ¥1.7 bn from the previous fiscal year due to increased capital efficiency and returns from sales of real estate, with a D/E ratio of 0.53 (increased by 0.07 compared to the end of the previous fiscal year).
- Net assets increased by ¥1.8 bn compared to the end of the previous fiscal year, due mainly to an increase in retained earnings. The equity ratio was 48.4%, supporting financial soundness.
- Operating cash flows balanced income and expenditure as accounts receivable and notes and accounts-payable increased and earnings were secured.

### 1) Balance Sheet

	FY Ended Mar. 24 Result (A)	FY Ended Mar. 25 Result (B)	B-A Increase/ Decrease	Q2 Ended Sept. 25 Result (C)	C-B Increase/ Decrease
Cash and deposits	87.9	93.6	5.7	71.4	-22.3
Accounts receivable	344.8	406.3	61.4	467.2	60.9
Inventories	229.3	197.6	-31.7	198.0	0.4
Other assets	126.8	143.0	16.3	136.5	-6.6
Total assets	788.8	840.5	51.7	873.0	32.5
Accounts payable	133.5	155.6	22.1	176.2	20.7
Interest-bearing liabilities	239.6	241.2	1.6	223.8	-17.4
Other liabilities	32.0	38.2	6.2	49.4	11.2
Total net assets	383.7	405.5	21.8	423.6	18.0
Total liabilities and net assets	788.8	840.5	51.7	873.0	32.5
Equity ratio	48.5%	48.2%	-0.3%	48.4%	0.2%
D/E ratio	0.62x	0.59x	-0.03x	0.53x	-0.07x

Exchange rate at end of period US\$1 = ¥151.33 US\$1 = ¥149.53

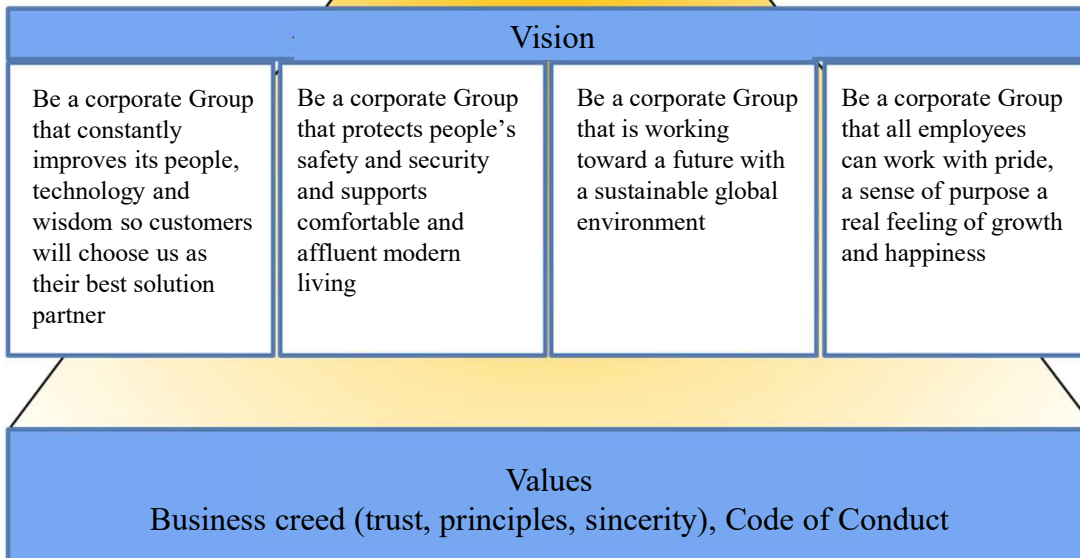
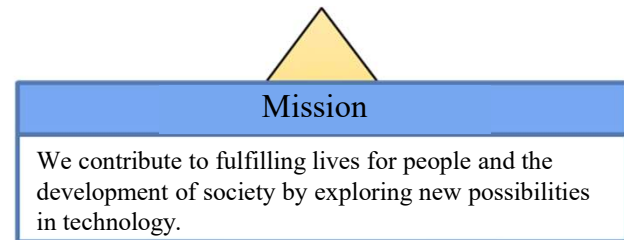
US\$1 = ¥148.81

### 2) Cash Flows

	FY Ended Mar. 24 Result	FY Ended Mar. 25 Result	H1 Ended Sept. 25 Result
Decrease (increase) in accounts receivable-trade	59.6	-63.9	-59.7
Decrease (increase) in inventories	35.2	31.4	-5.3
Increase (decrease) in accounts payable-trade	-19.8	23.3	19.6
Other	-17.6	49.0	44.6
Operating C/F	57.4	39.8	-0.8
Investing C/F	-3.6	-22.2	9.5
Financing C/F	-58.8	-11.1	-31.2
Foreign currency conversion adjustments	4.1	-0.8	0.2
Increase (decrease) in cash and deposits	-1.0	5.7	-22.3
Balance of cash and deposits at term-end	87.9	93.6	71.4

## II. Long-Term Corporate Vision and V76 Medium-Term Management Plan

# Long-Term Corporate Vision



The Group believes that mutual understanding among a wide range of stakeholders and growing together will lead to sustainable growth in corporate value. For this reason, the Group has formulated a long-term corporate vision and identified key issues to tackle in order to achieve that vision. We are grappling with each of these issues with great determination.

## Key issues

1. Issues for improving sustainable business growth and capital efficiency
  - (1) Shifting resources and upgrading organizations and systems to optimize business structure long-term
  - (2) Streamlining of clerical and administrative work in existing businesses and expanding sales and revenues through sales-force automation
  - (3) Entering growth businesses by applying solutions using digital technology
  - (4) Continuous improvement of capital efficiency
2. Issues related to sustainability
  - (1) Advancement of management of human capital
  - (2) Advancement of environmental management in supply chains
  - (3) Contribution to solutions to social issues through business
  - (4) Strengthening of supervisory functions through improved effectiveness of meeting structures

# V76 Medium-Term Management Plan

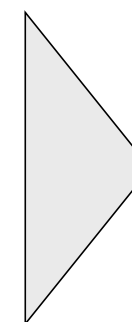
## V76 period

Three years from April 1, 2024 to March 31, 2027

## V76 quantitative target

Formation of a business structure that achieves **stable ROE of 8% or more**

Final year of the V76 Medium-Term Management Plan (fiscal year ending March 31, 2027)	Ordinary profit	Net profit
	More than ¥5 billion	More than ¥3.5 billion



**Aiming to exceed a price-to-book-value ratio of 1 through the following actions**

- The Sanshin Electric Group expects cost of shareholders' equity of 8%
- The Group needs to upgrade its profit-earning and financial bases in order to raise return on equity (ROE) consistently above 8% since its operating profitability, stability and growth rate are low compared to competitors
- Expanding the equity spread by raising ROE while paring cost of shareholders' equity

### Measures to achieve sustainable business growth and improve capital efficiency

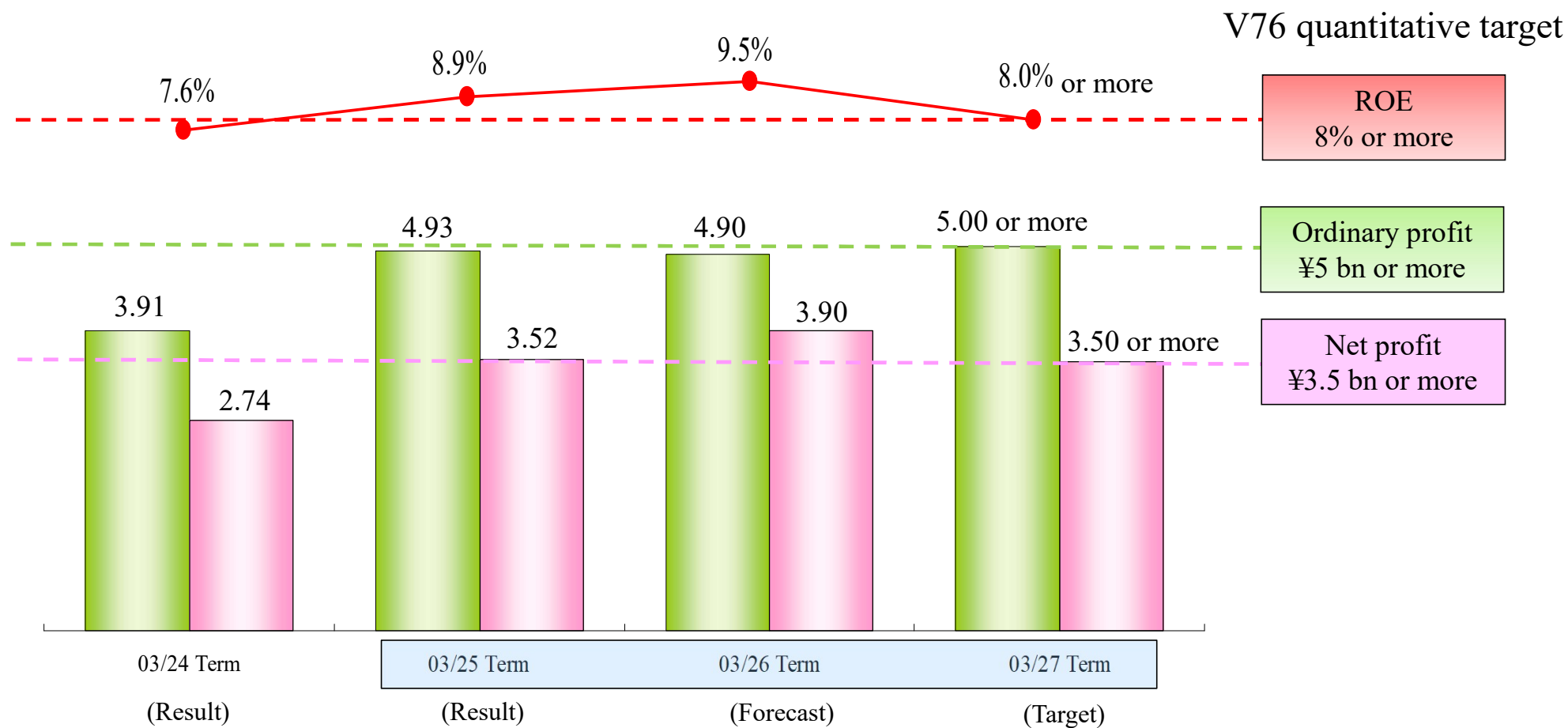
1. Business strategies to improve profitability, stability and growth
2. Financial strategy
  - (1) Optimization of capital structure for both efficiency and safety
  - (2) Improving capital efficiency to improve profitability and create cash
  - (3) Appropriate resource allocation based on capital profitability
3. Policy on return of earnings to shareholders  
Continuing distribution of dividends aiming for 50% payout ratio



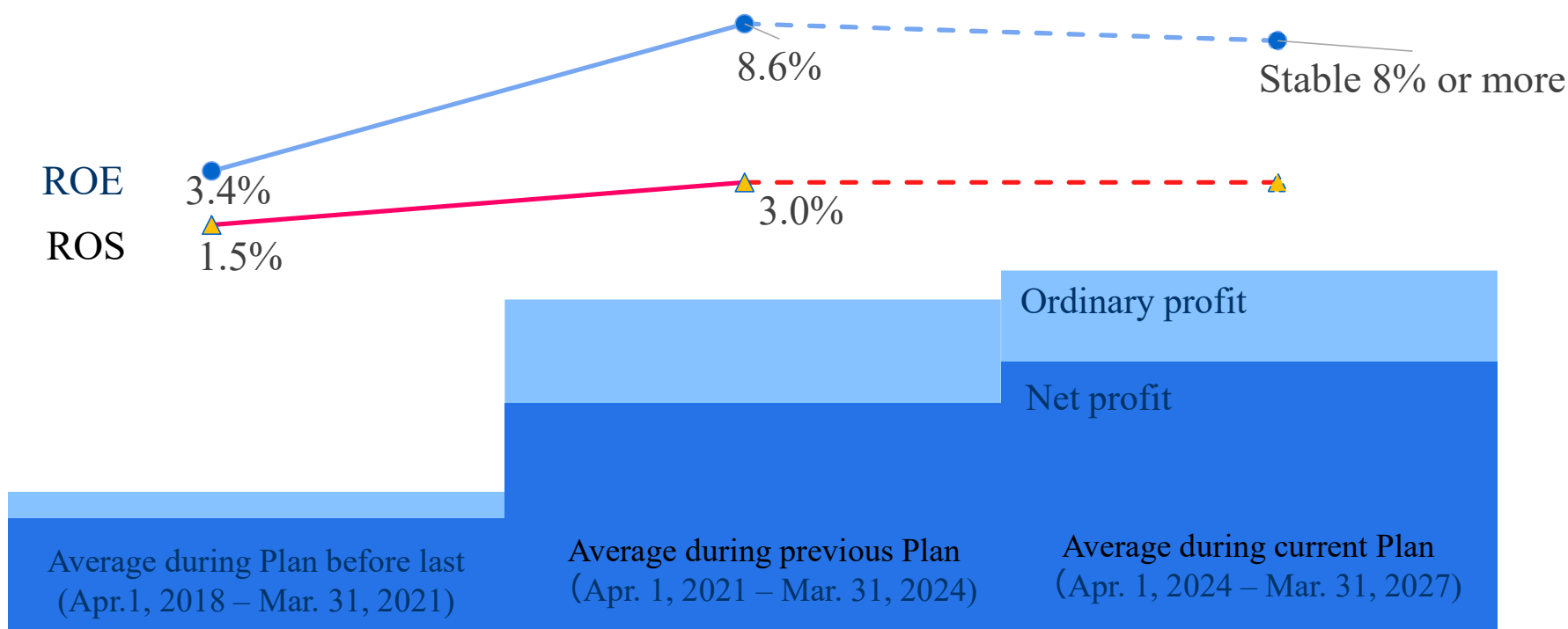
### Efforts in sustainability

1. Advancement of human-capital management
  - (1) Support for career formation by leveraging the individual talents of a diverse workforce
  - (2) Proactive investment in hiring and training personnel to acquire strategic capabilities
  - (3) Improving labor productivity through advancement of DX and expanding creative activities
2. Advancing environmental management  
Provision of disclosure in accordance with the TCFD Declaration and reduction of greenhouse-gas emissions
3. Strengthening of supervisory functions through the Audit & Supervisory Committee and Nomination & Remuneration Committee

# Trend in Business Results for the V76 Medium-Term Management Plan



# Trend in Business Results During Past Medium-Term Management Plans and Image of Current Plan



Ordinary profit	¥1.82 bn	¥4.33 bn	¥4.94 bn
Net profit	¥1.52 bn	¥3.03 bn	¥3.64 bn



## Progress of Initiatives to Achieve Sustainable Business Growth and Improve Capital Efficiency

### 1. Business strategies to improve profitability, stability and growth (device business)

	Status of Measures
Measures to improve profitability	<ul style="list-style-type: none"><li>•Implementing organizational restructuring aimed at streamlining sales promotion activities through optimal allocation of resources</li><li>•Use of digital marketing to approach customers efficiently</li><li>•Overhaul of system environments using DX, etc. to improve efficiency of internal operations</li></ul>
Measures to improve stability	<ul style="list-style-type: none"><li>•Establishing a sales expansion system for mass markets</li><li>•Full-fledged expansion of sales efforts toward customers with commercial rights in the automotive and other markets</li><li>•Consideration of establishing bases in India</li></ul>
Measures to improve growth capability	<ul style="list-style-type: none"><li>•Promoting embedded business through EMS proposals to existing customers</li><li>•Advancement of proposal of original solutions for growth markets (Development of SiC modules for vehicle-mounted systems, development of motor and AI camera solutions)</li><li>•Implementing measures for new businesses aimed at creating growth capability</li></ul>



## Progress of Initiatives to Achieve Sustainable Business Growth and Improve Capital Efficiency

### 1. Business strategies to improve profitability, stability and growth (solution business)

	Status of Measures
Measures to improve profitability	(Application) <ul style="list-style-type: none"><li>• Expansion of growth domains from higher-order shift in target markets</li><li>• Selection of products for the AI era and development of business in areas of specialization</li></ul> (Platform) <ul style="list-style-type: none"><li>• Expansion of high-performance server projects and securing of new profit-making schemes based on DX products</li></ul>
Measures to improve stability	(Networks) <ul style="list-style-type: none"><li>• Enhancing project management and strengthening proposals from the upstream phase</li><li>• Implementing initiatives to adopt new technologies in the security field</li><li>• Outsourcing of maintenance operations and expansion of stock business through subscription-based products</li></ul> (Imaging) <ul style="list-style-type: none"><li>• Maintaining market share for highly competitive products and expanding into new products and markets</li></ul>
Measures to improve growth capability	(Firefighting and disaster preparedness) <ul style="list-style-type: none"><li>• Expanding new areas for disaster prevention radio and securing projects for updating fire and emergency radios</li></ul> (DX, AI) <ul style="list-style-type: none"><li>• Promoting new development and expanding handling of DX products</li></ul>

# Progress of Initiatives to Achieve Sustainable Business Growth and Improve Capital Efficiency

## 2. Financial strategy

### 1) Optimization of capital structure for both efficiency and safety

- Prevent rising funding costs by maintaining a certain level of equity capital
- Improve capital efficiency by limiting excessive accumulation of equity capital

Target: Equity ratio of 40% to 45%  
(As of Sep. 30, 2025: 48.4%)

### 2) Improving capital efficiency to improve profitability and create cash

Improvement of CCC  
(As of Mar. 31, 2025: 105 days ⇒ As of Sep. 2025: 103 days)

#### (1) Optimization of consolidated cash and deposits

(equivalent to 1 month of sales)

#### (2) Reduction of accounts receivable-trade and inventories balance

- Reduction of overdue accounts receivable-trade
- Prevention of bad debt occurrence
- Optimization of inventory levels
- Reduction of slow-moving and obsolete inventory

#### (3) Improvement of asset efficiency

- Sale of investment securities  
⇒ Sold stocks of 3 companies during FY ended Mar. 2025, reducing cross-shareholdings to stocks of 14 companies
- Effective use and sale of real estate  
⇒ Osaka Branch to be sold in May 2025

Cash and deposits	(1)	Accounts payable-trade	(4)
Accounts receivable-trade	(2)	Loans payable	(5)
Inventories	(2)	Other liabilities	
Investment securities	(3)	Net assets	(6)
Non-current assets	(3)	Net profit	(7)
Other assets			

#### (4) Increase in trade accounts payable-trade balance through deferral of payments

#### (5) Reduction in loans payable balance through consolidated capital efficiency

#### (6) Optimization of net assets balance through capital policy

#### (7) Increase in profits for generating cash

- Securing of funds to invest in business
- Promotion of human capital management
- Return to shareholders

### 3. Shareholder return policy (improvement of PER)

#### 1) Continue dividends with a target consolidated payout ratio of 50%

Dividend in FY ended Mar. 2025: ¥135 (consolidated payout ratio: 47.4%)

Dividend in FY ending Mar. 2026: ¥150 (consolidated payout ratio: 47.5%)

*\*The year-end dividend forecast was revised upward on Nov. 6, 2025.*

#### 2) Increase the free-float ratio

Increase the free-float ratio through offering (Feb. 2025) (increase from 35% to 50%)

\*Number of offered shares: 3,106,000 (equivalent to 19% of total outstanding shares)

### 1. Advancement of human-capital management

#### 1) Support for career formation by leveraging the individual talents of a diverse workforce

- Revision of treatment of employees rehired after retirement (implemented in Jun. 2025)
- Submission of proposals from the women's working group (Feb. 2025) and start of response to said proposals (From Apr. 2025: Improvement of office environment, work processes, etc.)
- Updating of personnel systems toward implementation of talent management (Completed in September 2025; the Company will now aim for full-fledged execution of talent management.)

#### 2) Proactive investment in hiring and training personnel to acquire strategic capabilities

- Renewal of recruitment website and continued disclosure of a human-capital reports (The latest issue was published in Aug. 2025.)
- Increase in base salary (Increase in wages in tandem with regular salary adjustments for 4<sup>th</sup> consecutive year; FY2025 result: 3.7%)
- Continued regular revision of training programs and certification incentive systems

#### 3) Improving labor productivity through advancement of DX and expanding creative activities

- Started preparations to revise training and education systems for cultivating DX human resources

### 2. Advancing environmental management

Continued disclosure in line with TCFD recommendations and implementation of initiatives to reduce greenhouse (GHG) emissions

- Initiate studies on the use of renewable energy
- Replacement of Company vehicles with vehicles conforming to environmental regulations (as necessary), advancement of modal shift (from Oct. 2025)

### 3. Strengthening of supervisory functions through the Audit & Supervisory Committee and Nomination & Remuneration Committee

- Transitioned to a company with an Audit & Supervisory Committee (effective June 2024)

# III. Full-Year Business Forecast for the Year Ending March 31, 2026

# Year Ending March 2026 Full-Year Business Forecast

(Unit: ¥100 million)



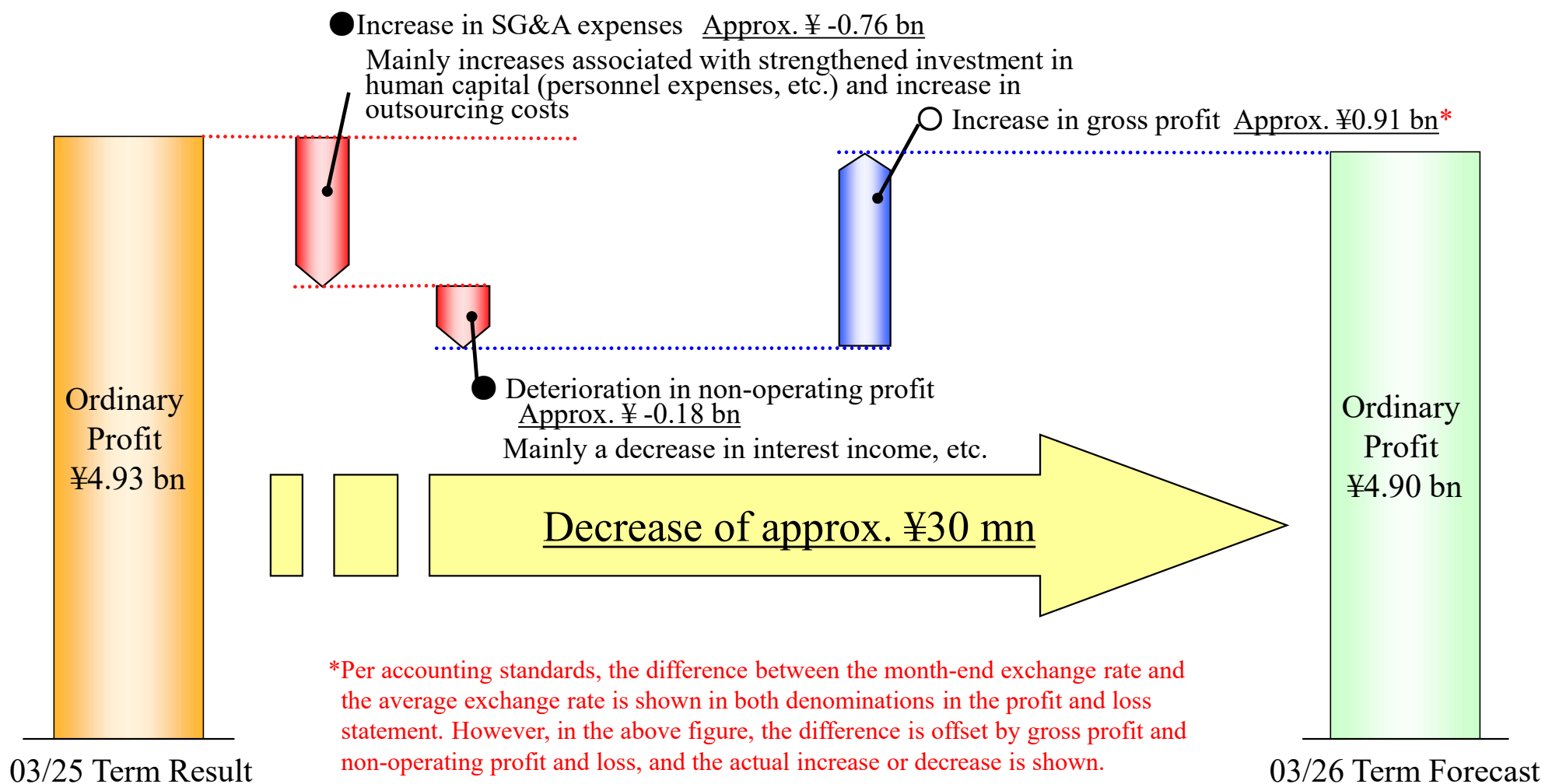
- Net sales are expected to increase YoY.
- Earnings are expected to decline YoY due to factors such as an increase in SG&A expenses; however, net profit attributable to shareholders of parent company is expected to increase due to gains from the sale of land and buildings at the Osaka Branch.

	03/22 Result	03/23 Result	03/24 Result	03/25 Result	03/26 Forecast	YoY Change
Net Sales	1,235.8	1,611.1	1,402.0	1,573.4	1,640.0	104%
Gross Profit on Sales	10.9% 135.3	10.5% 168.8	11.1% 155.5	10.5% 165.5	170.2	103%
SG&A Expenses	7.5% 93.2	6.2% 100.3	7.0% 98.0	6.8% 107.6	115.2	107%
Operating Profit	3.4% 42.1	4.3% 68.5	4.1% 57.5	3.7% 57.9	3.4% 55.0	95%
Ordinary Profit	2.9% 35.6	3.4% 55.1	2.8% 39.1	3.1% 49.3	3.0% 49.0	99%
Net Profit Attributable to Shareholders of Parent Company	2.0% 25.3	2.4% 38.3	2.0% 27.4	2.2% 35.2	2.4% 39.0	111%
ROE	6.8%	11.8%	7.6%	8.9%	9.5%	+0.6p
Exchange Rate (1 US dollar)	¥112.38	¥135.49	¥144.62	¥152.56	¥140.00	-¥12.56

\*Figures in the YoY Change section for ROE and exchange rate represent increases or decreases.



# Year Ending March 2026 Year-to-Year Comparison of Consolidated Ordinary Profit





# Year Ending March 2026 Full-Year Business Forecast by Segment

(Unit: ¥100 million)



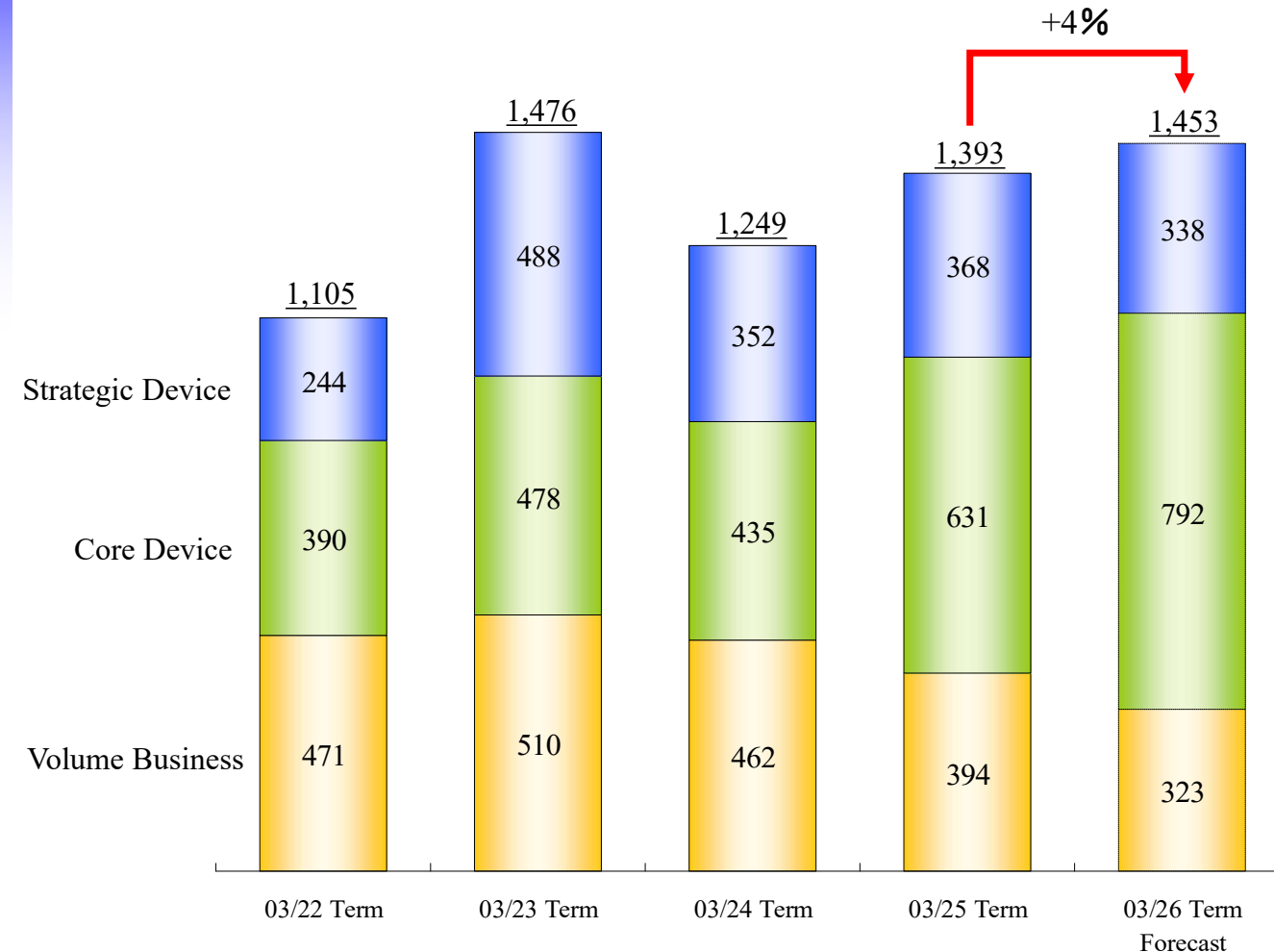
- In the Device Business, net sales are expected to increase YoY, while earnings are expected to decline YoY due to factors such as an increase in SG&A expenses.
- In the Solution Business, net sales and earnings are both forecast to rise amid mounting demand for advancement of DX.

		03/22 Result	03/23 Result	03/24 Result	03/25 Result	03/26 Forecast	YoY Change
Device Business	Net Sales	1,105.2	1,475.8	1,249.1	1,392.7	1,453.0	104%
	Operating Profit	3.6% 40.1	4.4% 65.5	3.9% 48.7	3.5% 48.3	3.0% 43.9	91%
	Segment Profit	2.0% 21.9	2.8% 41.4	1.7% 21.0	2.0% 27.7	1.7% 25.0	90%
Solution Business	Net Sales	130.6	135.3	152.9	180.7	187.0	103%
	Operating Profit	14.0% 18.3	13.2% 17.9	14.4% 22.0	14.6% 26.3	15.5% 29.0	110%
	Segment Profit	10.5% 13.7	10.1% 13.7	11.8% 18.1	12.0% 21.6	12.8% 24.0	111%
Exchange rate (1 US dollar)		¥112.38	¥135.49	¥144.62	¥152.56	¥140.00	¥-12.56

\*The figure in the YoY Change section for exchange rate represents an increase or decrease.

# Year Ending March 2026 Year-to-Year Comparison of Consolidated Net Sales

(Unit: ¥100 million)



## By Business Category of Device Business

### 【Year-to-Year Comparison of Fluctuations】

#### ■ Strategic Device (down 8% YoY)

- Decrease in overseas merchandise such as wireless merchandise/analog semiconductors

#### ■ Core Device (up 26% YoY)

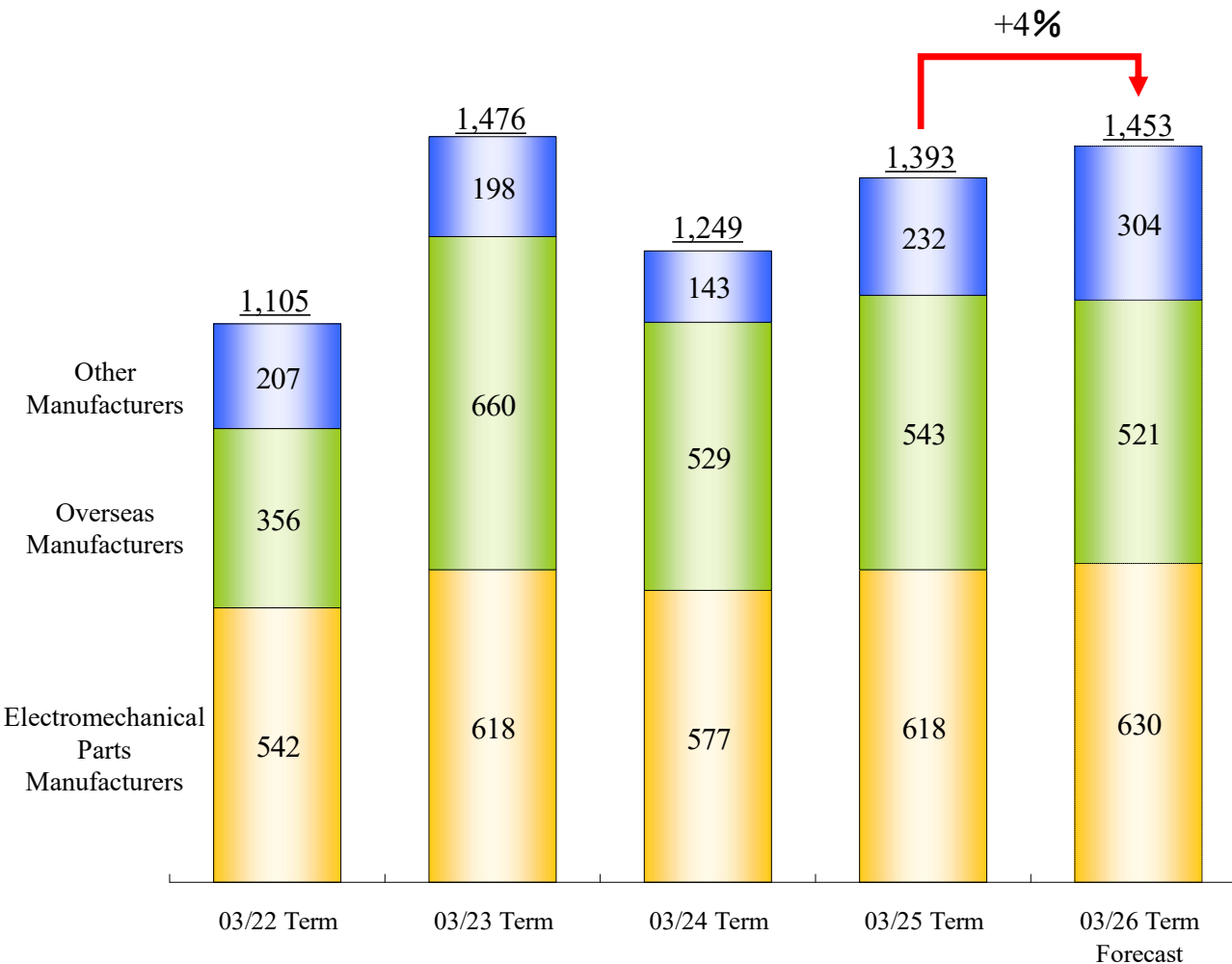
- Increase in LCD for vehicle-mounted products and entry into business in new fields

#### ■ Volume Business (down 18% YoY)

- Decrease for mobile devices and social infrastructure

# Year Ending March 2026 Year-to-Year Comparison of Consolidated Net Sales

(Unit: ¥100 million)



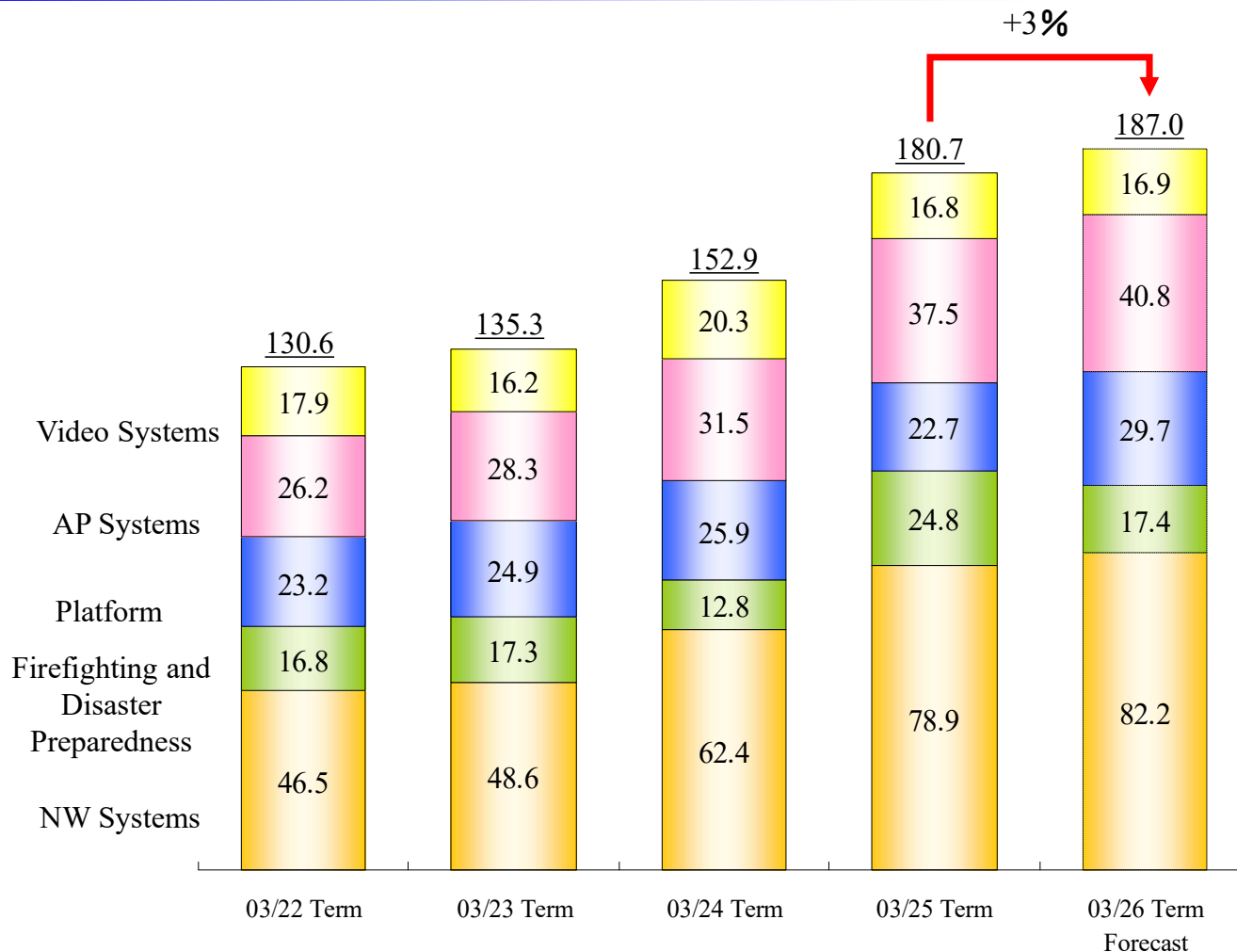
By Supplier of Device Business

## 【Year-to-Year Comparison of Fluctuations】

- Other Manufacturers (up 31% YoY)
- Increase in LCD for vehicle-mounted products and entry into business in new fields
- Overseas Manufacturers (down 4% YoY)
- Decrease in wireless merchandise/analog semiconductors
- Electromechanical Parts Manufacturers (up 2% YoY)
- Overall increase except for a decline in mobile devices, etc.

# Year Ending March 2026 Year-to-Year Comparison of Consolidated Net Sales

(Unit: ¥100 million)



## By Sector of Solution Business

### 【Year-to-Year Comparison of Fluctuations】

Video Systems (up 1% YoY)

○ Recovery in demand for streaming

AP Systems (up 9% YoY)

○ Increase due to acquisition of large-scale projects

Platform (up 31% YoY)

○ Increase in server-related sales

Firefighting and Disaster Preparedness (down 30% YoY)

● Decrease in projects for updating disaster prevention radio

NW Systems (up 4% YoY)

○ Increase due to favorable trends in networking projects for large corporations

# Year Ending March 2026 Consolidated Financial Situation

(Unit: ¥100 million)



- Total assets are forecasted to decline to ¥82.4 bn (down ¥1.7 bn from the end of the previous fiscal year) due to the advancement of Group-internal finance and reduction in inventories.
- Interest-bearing liabilities are forecasted to decrease to ¥20.5 bn (down ¥3.6 bn from the end of the previous fiscal year) for a D/E ratio of 0.49, due to increased capital efficiency and returns from sales of real estate.
- Net assets are forecasted to increase ¥1.2 bn from the end of the previous fiscal year due to an increase in retained earnings, while equity ratio is forecasted to increase to 50.6% (up 2.4% YoY). However, capital efficiency is an issue.
- Operating cash flows are forecasted to increase by ¥1.5 bn due to a decrease in inventory assets, while investing cash flows are expected to increase by ¥0.8 bn due to sales of real estate and financial cash flows are expected to decline by ¥4.1 bn due to repayment of loans.

## 1) Balance Sheet

	FY Ended Mar. 24 Result (A)	FY Ended Mar. 25 Result (B)	B-A Increase/ Decrease	FY Ending Mar. 26 Result (C)	C-B Increase/ Decrease
Cash and deposits	87.9	93.6	5.7	75.2	-18.4
Accounts receivable	344.8	406.3	61.4	423.3	17.0
Inventories	229.3	197.6	-31.7	174.0	-23.6
Other assets	126.8	143.0	16.3	151.4	8.4
Total assets	788.8	840.5	51.7	823.9	-16.6
Accounts payable	133.5	155.6	22.1	163.3	7.8
Interest-bearing liabilities	239.6	241.2	1.6	205.4	-35.8
Other liabilities	32.0	38.2	6.2	38.0	-0.2
Total net assets	383.7	405.5	21.8	417.2	11.7
Total liabilities and net assets	788.8	840.5	51.7	823.9	-16.6
Equity ratio	48.5%	48.2%	-0.3%	50.6%	2.4%
D/E ratio	0.62x	0.59x	-0.03x	0.49x	-0.10x

Exchange rate at end of  
period (actual/assumed)

US\$1 = ¥151.33 US\$1 = ¥149.53

US\$1 = ¥140

## 2) Cash Flows

	FY Ended Mar. 24 Result	FY Ended Mar. 25 Result	FY Ending Mar. 26 Forecast
Decrease (increase) in accounts receivable-trade	59.7	-63.9	-17.0
Decrease (increase) in inventories	35.2	31.4	23.6
Increase (decrease) in accounts payable-trade	-19.8	23.3	7.8
Other	-17.7	49.0	0.5
Operating C/F	57.4	39.8	14.8
Investing C/F	-3.6	-22.2	8.0
Financing C/F	-58.8	-11.1	-41.3
Foreign currency conversion adjustments	4.1	-0.8	
Increase (decrease) in cash and deposits	-1.0	5.7	-18.4
Balance of cash and deposits at term-end	87.9	93.6	75.2

## Year Ending March 2026 Return to Shareholders

### ● Policy on Distribution of Profits

The Company considers profit returns to its shareholders as one of the most important management issues. The Company's basic policy is to determine dividends by comprehensively considering the need to maintain a balance between rewarding of shareholders, investment to gain opportunities for growth, attainment of sufficient retained earnings to enable sustainable growth, and improvement in capital efficiency. Under this policy, the Company has set a target for its dividend payout ratio of around 50% on a consolidated basis.

### ● Dividend Forecast for the Year Ending March 31, 2026

An annual dividend of ¥150 per share (midterm dividend of ¥40, term-end dividend of ¥110); consolidated dividend payout ratio of 47.5%

		03/22 Result	03/23 Result	03/24 Result	03/25 Result	03/26 Forecast	YoY Change
Annual Dividend Per Share	Ordinary Dividend	¥80	¥135	¥105	¥135	¥150	+¥15.00
	Commemorative Dividend	¥20	—	—	—	—	—
	Total	¥100	¥135	¥105	¥135	¥150	+¥15.00
Payout Ratio		48.8%	43.5%	47.3%	47.4%	47.5%	+0.1P

\*Figures in the YoY Change section represent increases or decreases in amount.

## Change in Return to Shareholders

	03/21 Term Result	03/22 Term Result	03/23 Term Result	03/24 Term Results	03/25 Term Results	03/26 Term Forecast
(1) Consolidated net profit	¥1,646 million	¥2,525 million	¥3,833 million	¥2,740 million	¥3,522 million	¥3,900 million
(2) Comprehensive profit	¥2,393 million	¥4,204 million	¥4,788 million	¥5,831 million	¥3,366 million	—
(3) Consolidated equity ratio	51.0%	42.1%	43.5%	48.5%	48.2%	50.6%
(4) Total dividends (Dividend per share)	¥773 million (¥40)	¥1,232 million (¥100)	¥1,666 million (¥135)	¥1,297 million (¥105)	¥1,667 million (¥135)	¥1,853 million (¥150)
(5) Consolidated payout ratio	46.9%	48.8%	43.5%	47.3%	47.4%	47.5%
(6) Value of treasury stock acquired (Number of shares acquired)	-	¥15.74 billion (7 million shares)	—	—	—	Suspense
(7) Total payout ratio ((4)+(6)) ÷ 1	46.9%	672.3%	43.5%	47.3%	47.4%	Suspense
(8) Cancellation of treasury stock	-	8,000 thousand shares	—	—	—	Suspense
(9) Total number of shares issued (excluding treasury stock) at fiscal year end	24,281 thousand shares (19,183 thousand shares)	16,281 thousand shares (12,183 thousand shares)	16,281 thousand shares (12,192 thousand shares)	16,281 thousand shares (12,203 thousand shares)	16,281 thousand shares (12,231 thousand shares)	Suspense
(10) Net profit per share	¥85.82	¥171.12	¥314.43	¥224.66	¥288.20	¥318.56
(11) Net assets per share	¥2,249.40	¥2,514.04	¥2,803.65	¥3,138.10	¥3,310.15	¥3,402.45

\*1) Total dividends include the dividend amount for shares held by trusts related to the performance-based stock compensation plan for directors (excluding external directors).

The result for 03/22 term includes the commemorative dividend ¥20 per share.

2) Net profit per share is calculated based on the average number of issued shares (excluding treasury stock) during the period.

3) Net assets per share is calculated based on the total number of shares issued (excluding treasury stock) at fiscal year end.

4) The forecast for net profit per share and net assets per share for 03/26 term is calculated based on the total number of shares issued (excluding treasury stock) as of March 31, 2025.





### TRUST

Business cannot  
succeed without trust.  
It begins and ends  
with trust.



### PRINCIPLES

Do not just pursue profit.  
But act based on  
principles, which can be  
realized through self-  
discipline.



### SINCERITY

Always act sincerely.  
Rise to the challenge  
head-on.



# Note on Handling of These Materials

Forecasts of business results and other forward-looking statements included in these materials are predictions based on the information available at time of publication and shall not be interpreted as constituting any promise or guarantee of achievement whatsoever. Actual business results may differ significantly from forecasts due to a wide range of factors. The main important factors that can impact actual business results are as follows.

- Economic conditions and consumer trends in Japan, North America, Asia ex-Japan, etc.
- Production trends, product development, etc. at purchasers
- Supply conditions and product development, etc. at suppliers
- Price declines due to intensification of competition
- Major fluctuations in exchange rates, etc.