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

April 28, 2025

Company name: TOKYO ELECTRON DEVICE LIMITED
 Listing: Tokyo Stock Exchange
 Stock Exchange Code : 2760
 URL: <https://www.teldevice.co.jp/>
 Representative: Atsushi Tokushige, President & Representative Director, CEO
 Inquiries: Hiroki Tanaka, Director, Financial Department
 Telephone: +81-3-6635-6000
 Scheduled date of annual general meeting of shareholders: June 20, 2025
 Scheduled date to commence dividend payments: May 30, 2025
 Scheduled date to file annual securities report: June 23, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts and institutional investors)

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

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

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | |
|----------------------------------|-----------------|--------|------------------|--------|-----------------|--------|---|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Fiscal year ended March 31, 2025 | 216,379 | (10.9) | 12,457 | (19.3) | 11,415 | (18.0) | 8,874 | (11.1) |
| March 31, 2024 | 242,888 | 1.1 | 15,428 | 8.4 | 13,922 | 11.6 | 9,986 | 13.8 |

(Note) Comprehensive income: Fiscal year ended March 31, 2025: 9,178 million yen [(18.2)%]
 Fiscal year ended March 31, 2024: 11,222 million yen [19.1%]

| | Basic net income per share | Diluted net income per share | Return on equity | Ordinary income to total assets ratio | Operating income to net sales ratio |
|----------------------------------|----------------------------|------------------------------|------------------|---------------------------------------|-------------------------------------|
| | Yen | Yen | % | % | % |
| Fiscal year ended March 31, 2025 | 295.72 | - | 19.1 | 7.1 | 5.8 |
| March 31, 2024 | 333.46 | - | 24.1 | 9.1 | 6.4 |

(Reference) Share of profit (loss) of entities accounted for using equity method : As of March 31, 2025: 240 million yen
 As of March 31, 2024: 166 million yen

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. Basic net income per share is calculated based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(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 | 156,841 | 49,004 | 30.5 | 1,624.12 |
| March 31, 2024 | 162,567 | 46,190 | 27.7 | 1,501.09 |

(Reference) Equity: As of March 31, 2025: 47,860 million yen
 As of March 31, 2024: 45,042 million yen

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. Net assets per share is calculated based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at the end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| Fiscal year ended | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| March 31, 2025 | 18,915 | (2,068) | (15,251) | 8,384 |
| March 31, 2024 | 301 | (2,695) | 2,529 | 6,757 |

2. Dividends

| | Annual dividends | | | | | Total dividends (annual) | Payout ratio (consolidated) | Dividends to net assets (consolidated) |
|---------------------------|------------------|-----------------|-----------------|----------|--------|--------------------------|-----------------------------|--|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Annual | | | |
| Fiscal year ended | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| March 31, 2024 | - | 183.00 | - | 74.00 | - | 4,230 | 40.5 | 9.7 |
| March 31, 2025 | - | 52.00 | - | 67.00 | 119.00 | 3,728 | 40.2 | 7.6 |
| Fiscal year ending | | | | | | | | |
| March 31, 2026 (Forecast) | - | 32.00 | - | 64.00 | 96.00 | | 40.4 | |

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. The year-end dividend per share for the fiscal year ended March 31, 2024 is based on the number of shares after the share split, and the annual dividend is stated as "—". If the share split is taken into consideration, the interim dividend per share for the first half of the fiscal year ended March 31, 2024 would be 61.00 yen, and the annual dividend would be 135.00 yen.

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

(Percentages indicate year-on-year changes.)

| | Net sales | | Ordinary income | | Net income attributable to owners of parent | | Basic net income per share |
|--------------------------------------|-----------------|--------|-----------------|--------|---|--------|----------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2025 | 91,400 | (18.2) | 3,300 | (46.3) | 2,300 | (46.6) | 77.86 |
| Full year | 200,000 | (7.6) | 10,000 | (12.4) | 7,000 | (21.1) | 237.50 |

* Notes:

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

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

March 31, 2025: 31,336,500 shares

March 31, 2024: 31,336,500 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 1,867,825 shares

March 31, 2024: 1,330,180 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 30,009,848 shares

Fiscal Year ended March 31, 2024: 29,948,160 shares

(Note) The Company has adopted the Directors' Compensation BIP (Board Incentive Plan) Trust and the ESOP (Employee Stock Ownership Plan) Trust, and the "Trust-Type Employee Shareholding Incentive Plan (E-Ship)", and has included the number of the Company's shares held by each Trusts accordingly in the number of treasury shares.

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. The number of shares outstanding at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period are calculated based on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(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

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|----------------------------------|-----------------|--------|------------------|--------|-----------------|--------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Fiscal year ended March 31, 2025 | 187,133 | (11.6) | 11,075 | (22.4) | 10,052 | (22.6) | 7,798 | (17.5) |
| March 31, 2024 | 211,583 | 2.9 | 14,277 | 13.7 | 12,983 | 19.3 | 9,451 | 23.5 |

| | Basic net income per share | Diluted net income per share |
|-------------------|----------------------------|------------------------------|
| Fiscal year ended | Yen | Yen |
| March 31, 2025 | 259.86 | - |
| March 31, 2024 | 315.60 | - |

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. Basic net income per share is calculated based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------|-----------------|-----------------|--------------|----------------------|
| As of | Millions of yen | Millions of yen | % | Yen |
| March 31, 2025 | 143,674 | 37,515 | 26.1 | 1,273.06 |
| March 31, 2024 | 147,832 | 36,096 | 24.4 | 1,202.95 |

(Reference) Equity: As of March 31, 2025: 37,515 million yen

As of March 31, 2024: 36,096 million yen

(Note) The Company conducted a share split at a ratio of three shares for every one share of the Company's common stock as of October 1, 2023. Net assets per share is calculated based on the assumption that the share split was conducted at the beginning of the previous fiscal year.

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

* Explanation of the appropriate use of finance forecasts and other special notes

The financial forecasts and other estimates herein are based on currently available information and certain assumptions deemed reasonable at time of report issuance. The Company does not guarantee the achievement of these forecasts. Actual operating results may differ significantly from these forecasts due to various factors.

Consolidated Financial Statements and Segment Information

(1) Consolidated Balance Sheets

(Millions of yen)

| | Fiscal Year 2024 (As of Mar. 31, 2024) | Fiscal Year 2025 (As of Mar. 31, 2025) |
|--|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 6,867 | 8,384 |
| Notes and accounts receivable - trade, and contract assets | 57,234 | 49,226 |
| Electronically recorded monetary claims - operating | 4,241 | 2,717 |
| Merchandise and finished goods | 53,275 | 50,281 |
| Raw materials | 3,161 | 2,586 |
| Prepaid expenses | 19,416 | 25,952 |
| Other | 7,229 | 5,105 |
| Allowance for doubtful accounts | (90) | (68) |
| Total current assets | 151,336 | 144,186 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 3,799 | 4,417 |
| Accumulated depreciation | (1,649) | (1,533) |
| Buildings and structures, net | 2,150 | 2,884 |
| Machinery and equipment | 526 | 688 |
| Accumulated depreciation | (388) | (469) |
| Machinery and equipment, net | 137 | 219 |
| Tools, furniture and fixtures | 2,033 | 2,083 |
| Accumulated depreciation | (1,722) | (1,536) |
| Tools, furniture and fixtures, net | 311 | 547 |
| Land | 586 | 586 |
| Other | 499 | 516 |
| Accumulated depreciation | (328) | (435) |
| Other, net | 171 | 81 |
| Total property, plant and equipment | 3,356 | 4,319 |
| Intangible assets | 2,192 | 1,912 |
| Investments and other assets | | |
| Retirement benefit asset | 449 | 629 |
| Deferred tax assets | 3,867 | 3,615 |
| Other | 1,689 | 2,219 |
| Allowance for doubtful accounts | (323) | (40) |
| Total investments and other assets | 5,682 | 6,423 |
| Total non-current assets | 11,231 | 12,655 |
| Total assets | 162,567 | 156,841 |

(Millions of yen)

| | Fiscal Year 2024 (As of Mar. 31, 2024) | Fiscal Year 2025 (As of Mar. 31, 2025) |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 22,690 | 19,407 |
| Short-term borrowings | 22,401 | 8,200 |
| Commercial papers | 5,000 | 7,000 |
| Current portion of long-term borrowings | 7,000 | 2,700 |
| Advances received | 23,724 | 29,604 |
| Provision for bonuses | 2,401 | 2,106 |
| Other | 5,817 | 5,586 |
| Total current liabilities | 89,035 | 74,605 |
| Non-current liabilities | | |
| Long-term borrowings | 17,700 | 24,660 |
| Retirement benefit liability | 7,440 | 6,591 |
| Other | 2,201 | 1,980 |
| Total non-current liabilities | 27,341 | 33,232 |
| Total liabilities | 116,377 | 107,837 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,495 | 2,495 |
| Capital surplus | 5,684 | 5,684 |
| Retained earnings | 36,363 | 41,289 |
| Treasury shares | (1,674) | (4,056) |
| Total shareholders' equity | 42,869 | 45,414 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 129 | 32 |
| Deferred gains or losses on hedges | 124 | 111 |
| Foreign currency translation adjustment | 1,744 | 1,745 |
| Remeasurements of defined benefit plans | 174 | 556 |
| Total accumulated other comprehensive income | 2,172 | 2,446 |
| Non-controlling interests | 1,148 | 1,143 |
| Total net assets | 46,190 | 49,004 |
| Total liabilities and net assets | 162,567 | 156,841 |

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

| | Fiscal Year 2024 (from Apr. 1, 2023 to Mar. 31, 2024) | Fiscal Year 2025 (from Apr. 1, 2024 to Mar. 31, 2025) |
|---|---|---|
| Net sales | 242,888 | 216,379 |
| Cost of sales | 205,720 | 182,646 |
| Gross profit | 37,168 | 33,732 |
| Selling, general and administrative expenses | | |
| Salaries and allowances | 7,463 | 7,930 |
| Provision for bonuses | 2,329 | 1,876 |
| Retirement benefit expenses | 712 | 672 |
| Other | 11,234 | 10,794 |
| Total selling, general and administrative expenses | 21,739 | 21,274 |
| Operating income | 15,428 | 12,457 |
| Non-operating income | | |
| Interest income | 59 | 76 |
| Share of profit of entities accounted for using equity method | 166 | 240 |
| Other | 189 | 155 |
| Total non-operating income | 414 | 471 |
| Non-operating expenses | | |
| Interest expenses | 228 | 274 |
| Foreign exchange losses | 1,609 | 1,042 |
| Other | 83 | 196 |
| Total non-operating expenses | 1,920 | 1,513 |
| Ordinary income | 13,922 | 11,415 |
| Extraordinary income | | |
| Gain on sales of non-current assets | - | 0 |
| Gain on sales of investment securities | 4 | - |
| Total extraordinary income | 4 | 0 |
| Extraordinary losses | | |
| Loss on sales of non-current assets | 0 | - |
| Loss on retirement of non-current assets | 5 | 7 |
| Loss on change in equity | 32 | - |
| Total extraordinary losses | 38 | 7 |
| Net income before income taxes | 13,887 | 11,408 |
| Income taxes - current | 3,641 | 2,404 |
| Income taxes - deferred | 164 | 100 |
| Total income taxes | 3,806 | 2,504 |
| Net income | 10,081 | 8,904 |
| Net income attributable to non-controlling interests | 94 | 29 |
| Net income attributable to owners of parent | 9,986 | 8,874 |

Consolidated Statements of Comprehensive Income

(Millions of yen)

| | Fiscal Year 2024 (from Apr. 1, 2023 to Mar. 31, 2024) | Fiscal Year 2025 (from Apr. 1, 2024 to Mar. 31, 2025) |
|--|---|---|
| Net income | 10,081 | 8,904 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 47 | (96) |
| Deferred gains or losses on hedges | 260 | (13) |
| Foreign currency translation adjustment | 746 | (1) |
| Remeasurements of defined benefit plans, net of tax | 62 | 382 |
| Share of other comprehensive income of entities accounted for using equity method | 23 | 2 |
| Total other comprehensive income | 1,140 | 274 |
| Comprehensive income | 11,222 | 9,178 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 11,127 | 9,148 |
| Comprehensive income attributable to non-controlling interests | 94 | 29 |

(3) Consolidated Statements of Changes in Shareholders' equity

Fiscal Year 2024 (Apr. 1, 2023 to Mar. 31, 2024)

(Millions of yen)

| | Shareholders' equity | | | | |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of current period | 2,495 | 5,652 | 30,482 | (1,813) | 36,816 |
| Changes during period | | | | | |
| Dividends of surplus | | | (4,104) | | (4,104) |
| Net income attributable to owners of parent | | | 9,986 | | 9,986 |
| Purchase of treasury shares | | | | (0) | (0) |
| Disposal of treasury shares | | | | 139 | 139 |
| Change in ownership interest of parent due to transactions with non-controlling interests | | 31 | | | 31 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | 31 | 5,881 | 139 | 6,052 |
| Balance at end of current period | 2,495 | 5,684 | 36,363 | (1,674) | 42,869 |

| | 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 current period | 82 | (136) | 973 | 111 | 1,031 | 1,148 | 38,997 |
| Changes during period | | | | | | | |
| Dividends of surplus | | | | | | | (4,104) |
| Net income attributable to owners of parent | | | | | | | 9,986 |
| Purchase of treasury shares | | | | | | | (0) |
| Disposal of treasury shares | | | | | | | 139 |
| Change in ownership interest of parent due to transactions with non-controlling interests | | | | | | | 31 |
| Net changes in items other than shareholders' equity | 47 | 260 | 770 | 62 | 1,140 | (0) | 1,140 |
| Total changes during period | 47 | 260 | 770 | 62 | 1,140 | (0) | 7,193 |
| Balance at end of current period | 129 | 124 | 1,744 | 174 | 2,172 | 1,148 | 46,190 |

Fiscal Year 2025 (Apr. 1, 2024 to Mar. 31, 2025)

(Millions of yen)

| | Shareholders' equity | | | | |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of current period | 2,495 | 5,684 | 36,363 | (1,674) | 42,869 |
| Changes during period | | | | | |
| Dividends of surplus | | | (3,948) | | (3,948) |
| Net income attributable to owners of parent | | | 8,874 | | 8,874 |
| Purchase of treasury shares | | | | (2,655) | (2,655) |
| Disposal of treasury shares | | | | 274 | 274 |
| Change in ownership interest of parent due to transactions with non-controlling interests | | | | | - |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | - | 4,926 | (2,381) | 2,544 |
| Balance at end of current period | 2,495 | 5,684 | 41,289 | (4,056) | 45,414 |

| | 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 current period | 129 | 124 | 1,744 | 174 | 2,172 | 1,148 | 46,190 |
| Changes during period | | | | | | | |
| Dividends of surplus | | | | | | | (3,948) |
| Net income attributable to owners of parent | | | | | | | 8,874 |
| Purchase of treasury shares | | | | | | | (2,655) |
| Disposal of treasury shares | | | | | | | 274 |
| Change in ownership interest of parent due to transactions with non-controlling interests | | | | | | | - |
| Net changes in items other than shareholders' equity | (96) | (13) | 1 | 382 | 274 | (4) | 269 |
| Total changes during period | (96) | (13) | 1 | 382 | 274 | (4) | 2,813 |
| Balance at end of current period | 32 | 111 | 1,745 | 556 | 2,446 | 1,143 | 49,004 |

(4) Consolidated Statements of Cash Flows

(Millions of yen)

| | Fiscal Year 2024 (from Apr. 1, 2023 to Mar. 31, 2024) | Fiscal Year 2025 (from Apr. 1, 2024 to Mar. 31, 2025) |
|---|---|---|
| Cash flows from operating activities | | |
| Net income before income taxes | 13,887 | 11,408 |
| Depreciation and amortization | 763 | 1,061 |
| Increase (decrease) in allowance for doubtful accounts | 366 | (297) |
| Increase (decrease) in provision for bonuses | (317) | (294) |
| Increase (decrease) in retirement benefit liability | (141) | (75) |
| Interest expenses | 228 | 274 |
| Share of loss (profit) of entities accounted for using equity method | (166) | (240) |
| Foreign exchange losses (gains) | 916 | (1,276) |
| Compensation income for damage | (91) | - |
| Decrease (increase) in notes and accounts receivable - trade, and contract assets | 2,127 | 9,530 |
| Decrease (increase) in inventories | (12,468) | 3,768 |
| Increase (decrease) in trade payables | 2,345 | (3,343) |
| Increase (decrease) in accounts payable - other | 143 | (0) |
| Increase (decrease) in accrued expenses | (2) | 403 |
| Increase (decrease) in deposits received | 0 | 1,491 |
| Increase (decrease) in advances received | 1,991 | 5,880 |
| Decrease (increase) in consumption taxes refund receivable | (760) | 824 |
| Decrease (increase) in accounts receivable - other | (1,561) | 1,647 |
| Decrease (increase) in prepaid expenses | (2,082) | (6,534) |
| Other, net | (238) | (1,681) |
| Subtotal | 4,940 | 22,546 |
| Interest and dividends received | 272 | 210 |
| Interest paid | (231) | (299) |
| Compensation income for damage received | 91 | - |
| Income taxes paid | (4,771) | (3,541) |
| Net cash provided by (used in) operating activities | 301 | 18,915 |
| Cash flows from investing activities | | |
| Net decrease (increase) in time deposits | (14) | 109 |
| Purchase of property, plant and equipment | (304) | (1,552) |
| Purchase of intangible assets | (599) | (210) |
| Purchase of investment securities | (144) | (76) |
| Proceeds from sale of investment securities | 4 | - |
| Payments of leasehold and guarantee deposits | (439) | (464) |
| Proceeds from refund of leasehold and guarantee deposits | 2 | 184 |
| Payments for acquisition of businesses | (1,200) | - |
| Purchase of shares of subsidiaries and associates | - | (65) |
| Other, net | - | 7 |
| Net cash provided by (used in) investing activities | (2,695) | (2,068) |

(Millions of yen)

| | Fiscal Year 2024 (from Apr. 1, 2023 to Mar. 31, 2024) | Fiscal Year 2025 (from Apr. 1, 2024 to Mar. 31, 2025) |
|--|---|---|
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | 1,121 | (14,216) |
| Net increase (decrease) in commercial papers | 5,000 | 2,000 |
| Proceeds from long-term borrowings | - | 9,660 |
| Repayments of long-term borrowings | (3) | (7,000) |
| Purchase of shares of subsidiaries not resulting in change in scope of consolidation | (27) | - |
| Purchase of treasury shares | (0) | (2,655) |
| Proceeds from disposal of treasury shares | 468 | 865 |
| Dividends paid | (3,916) | (3,786) |
| Dividends paid to non-controlling interests | (35) | (34) |
| Repayments of lease liabilities | (77) | (84) |
| Net cash provided by (used in) financing activities | 2,529 | (15,251) |
| Effect of exchange rate change on cash and cash equivalents | 179 | 31 |
| Net increase (decrease) in cash and cash equivalents | 314 | 1,627 |
| Cash and cash equivalents at beginning of period | 6,442 | 6,757 |
| Cash and cash equivalents at end of period | 6,757 | 8,384 |

(5) Segment Information

1. Overview of Reported Segments

(1) The method to categorize reported segments

The reported segments of the Company are those units for which separate financial statements can be obtained among the constituent units of the Company and which are regularly examined by the Board of Directors for decisions on the allocation of management resources and for assessing business performance.

(2) Products and services categorized for each reported segment

The Company operates its business activities under separated sales units for each group of products and services. The Company categorizes two reported segments, “Electric Components Business” and “Computer Networks Business”.

“Electronic Components Business” focuses on business activities, such as sales of semiconductor products, boards, electronic components, and software & services, as well as manufacturing and sales of private brand (PB) products. “Computer Networks Business” focuses on business activities, such as sales of network-related products, storage-related products, and security-related products, as well as maintenance & monitoring services.

2. Basis for Calculating Net sales, Income (loss), Assets, Liabilities, and Other Items by Reported Segment

The accounting methods used for reportable segments are the same as those used for preparing the Consolidated Financial Statements.

3. Information on Amounts of Net sales, Income (loss), Assets, Liabilities, and Other Items by Reported Segment, and breakdown of Revenue

Fiscal Year 2024 (Apr. 1, 2023 to Mar. 31, 2024)

(Millions of yen)

| | Segments | | | Adjustments | Consolidated statements of income (Note) |
|---|--------------------------------|----------------------------|---------|-------------|--|
| | Electronic Components Business | Computer Networks Business | Total | | |
| Net sales: | | | | | |
| Semiconductor & Boards Products, etc. | 209,909 | — | 209,909 | — | 209,909 |
| Storage & Network Products, etc. | — | 20,486 | 20,486 | — | 20,486 |
| Maintenance & Monitoring Services | — | 12,492 | 12,492 | — | 12,492 |
| Revenue from contracts with customers | 209,909 | 32,978 | 242,888 | — | 242,888 |
| Outside customers | 209,909 | 32,978 | 242,888 | — | 242,888 |
| Inter-segment | 1 | — | 1 | (1) | — |
| Total | 209,911 | 32,978 | 242,889 | (1) | 242,888 |
| Segment income | 10,459 | 3,463 | 13,922 | — | 13,922 |
| Segment assets | 127,499 | 35,068 | 162,567 | — | 162,567 |
| Other items | | | | | |
| Depreciation | 554 | 131 | 685 | — | 685 |
| Amortization of goodwill | 4 | — | 4 | — | 4 |
| Interest expenses | 227 | 0 | 228 | — | 228 |
| Increase in property, plant, and equipment, and intangible assets | 2,287 | 253 | 2,540 | — | 2,540 |

(Note) Total amount of segment income coincides with the ordinary income in the consolidated statements of income.

Fiscal Year 2025 (Apr. 1, 2024 to Mar. 31, 2025)

(Millions of yen)

| | Segments | | | Adjustments | Consolidated statements of income (Note) |
|---|--------------------------------|----------------------------|---------|-------------|--|
| | Electronic Components Business | Computer Networks Business | Total | | |
| Net sales: | | | | | |
| Semiconductor & Boards Products, etc. | 179,051 | — | 179,051 | — | 179,051 |
| Storage & Network Products, etc. | — | 22,847 | 22,847 | — | 22,847 |
| Maintenance & Monitoring Services | — | 14,480 | 14,480 | — | 14,480 |
| Revenue from contracts with customers | 179,051 | 37,327 | 216,379 | — | 216,379 |
| Outside customers | 179,051 | 37,327 | 216,379 | — | 216,379 |
| Inter-segment | 1 | — | 1 | (1) | — |
| Total | 179,053 | 37,327 | 216,380 | (1) | 216,379 |
| Segment income | 6,149 | 5,266 | 11,415 | — | 11,415 |
| Segment assets | 117,505 | 39,336 | 156,841 | — | 156,841 |
| Other items | | | | | |
| Depreciation | 841 | 170 | 1,012 | — | 1,012 |
| Amortization of goodwill | 8 | — | 8 | — | 8 |
| Interest expenses | 272 | 2 | 274 | — | 274 |
| Increase in property, plant, and equipment, and intangible assets | 1,208 | 522 | 1,731 | — | 1,731 |

(Note) Total amount of segment income coincides with the ordinary income in the consolidated statements of income.