

## Summary of Financial Results (Japan GAAP) [Consolidated] For the First Quarter of Fiscal Year Ending March 31, 2024

August 3, 2023

Company name: IDEC CORPORATION URL <http://jp.idec.com/>  
 Stock exchange listing: Tokyo Stock Exchange – Prime Market  
 Stock code: 6652  
 Representative: Toshiyuki Funaki, Chairman and Chief Executive Officer  
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 Scheduled date for filing of securities report: August 10, 2023  
 Scheduled date for dividend payment: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for analysts)

(Amounts less than one million yen are omitted.)

1. Consolidated financial results for the three months ended June 30, 2023 (From April 1 to June 30, 2023)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

|                    | Net sales       |       | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |        |
|--------------------|-----------------|-------|------------------|--------|-----------------|--------|---|--------|
|                    | Millions of yen | %     | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | %      |
| Three months ended |                 |       |                  |        |                 |        |   |        |
| June 30, 2023      | 18,180          | (9.8) | 1,665            | (47.2) | 2,022           | (43.2) | 1,467                                   | (42.6) |
| June 30, 2022      | 20,157          | 16.7  | 3,153            | 37.1   | 3,562           | 46.2   | 2,555                                   | 42.0   |

(Note) Comprehensive income: Three months ended June 30, 2023 5,591 million yen 11.2%  
 Three months ended June 30, 2022 5,027 million yen 101.9%

|                    | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Three months ended | Yen                      | Yen                        |
| June 30, 2023      | 50.16                    | 49.91                      |
| June 30, 2022      | 88.09                    | 87.82                      |

(2) Consolidated financial position

|                | Total assets    | Net assets      | Shareholder's equity ratio |
|----------------|-----------------|-----------------|----------------------------|
| As of          | Millions of yen | Millions of yen | %                          |
| June 30, 2023  | 106,601         | 62,538          | 58.3                       |
| March 31, 2023 | 104,235         | 58,813          | 56.1                       |

(Reference) Shareholders' equity: As of June 30, 2023 62,147 million yen  
 As of March 31, 2023 58,465 million yen

2. Dividends

|  | Dividends per share  |                       |                      |                    |                |
|--|----------------------|-----------------------|----------------------|--------------------|----------------|
|  | End of first quarter | End of second quarter | End of third quarter | End of fiscal year | Annual (Total) |
|  | Yen                  | Yen                   | Yen                  | Yen                | Yen            |
| Fiscal year ended March 31, 2023             | –                    | 65.00                 | –                    | 65.00              | 130.00         |
| Fiscal year ended March 31, 2024             | –                    |                       |                      |                    |                |
| Fiscal year ending March 31, 2024 (Forecast) |                      | 65.00                 | –                    | 65.00              | 130.00         |

(Note) Changes in the forecasted cash dividends in this quarter: None

3. Forecast of consolidated results for the fiscal year ending March 31, 2024  
(From April 1, 2023 to March 31, 2024)

(Percentages indicate changes from the previous year.)

|           | Net sales       |       | Operating profit |       | Ordinary profit |       | Profit attributable to owners of parent |       | Net income per share |
|-----------|-----------------|-------|------------------|-------|-----------------|-------|---|-------|----------------------|
|           | Millions of yen | %     | Millions of yen  | %     | Millions of yen | %     | Millions of yen                         | %     | Yen                  |
| Full year | 81,000          | (3.4) | 13,800           | (1.9) | 13,800          | (4.2) | 9,500                                   | (6.4) | 326.23               |

(Note) Revisions of the forecast most recently announced: None

\* Notes

(1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries resulting in the change in scope of consolidation): None

New: - company (company name) Excluded: - company (company name)

(2) Applying of specific accounting of the consolidated quarterly financial statements: Yes

(3) Changes in accounting policies, accounting estimates and retrospective restatements

(a) Changes in accounting policies based on revisions of accounting standards: None

(b) Changes in accounting policies other than ones based on revisions of accounting standards: None

(c) Changes in accounting estimates: None

(d) Retrospective restatements: None

(4) Number of issued and outstanding shares (common shares)

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

|                     |                   |                      |                   |
|---------------------|-------------------|----------------------|-------------------|
| As of June 30, 2023 | 33,224,485 shares | As of March 31, 2023 | 33,224,485 shares |
|---------------------|-------------------|----------------------|-------------------|

(b) Number of treasury shares at the end of the period

|                     |                  |                      |                  |
|---------------------|------------------|----------------------|------------------|
| As of June 30, 2023 | 3,950,854 shares | As of March 31, 2023 | 3,966,734 shares |
|---------------------|------------------|----------------------|------------------|

(c) Average number of shares during the period

|                                  |                   |                                  |                   |
|----------------------------------|-------------------|----------------------------------|-------------------|
| Three months ended June 30, 2023 | 29,264,116 shares | Three months ended June 30, 2022 | 29,007,538 shares |
|----------------------------------|-------------------|----------------------------------|-------------------|

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

\* Proper use of earnings forecasts, and other special matters

The forecasts included in this documents are based on the information that the Company has obtained at the time of disclosure.

Actual results may differ significantly from the forecast due to a various factors in the future.

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## 1. Qualitative Information on Quarterly Financial Results under Review

### (1) Explanation of operating results

During the first quarter under review, the Japanese economy gradually returned to a state of normalcy as COVID-19 was downgraded to Category 5 under the infectious diseases control law and inbound tourism recovered as border controls for people entering Japan were lifted. On the one hand, export growth has been sluggish against the backdrop of weak global demand due to downward pressure on the economy caused by monetary tightening policies and other factors, and the Japanese economy is still showing signs of weakness even as it continues to recover moderately. The global economy remained uncertain as a slowdown in global demand resulting from the end of consumer spending on stay-at-home orders as well as monetary tightening policies made the market environment more difficult in Europe and the U.S. Even in China, which had been recovering rapidly following the lifting of the zero-COVID policy, market conditions worsened.

The IDEC Group has worked to further strengthen the solutions it offers by utilizing new products, etc. and implemented reforms aimed at optimizing production activities across the globe with an eye to achieving the targets set in its medium-term management plan, which was in its second year during the fiscal year under review.

Working against this backdrop, the Group saw domestic net sales decrease by ¥1,638 million year on year to hit ¥6,681 million (down 19.7% year on year), mainly due to sluggish export demand for customers. Overseas net sales declined ¥338 million year on year to reach ¥11,498 million (down 2.9% year on year) as a result of a decrease in sales. This drop occurred mainly in the Industrial Relays & Components business and the Safety & Explosion Protection business due to the economic slowdown, specifically in the Chinese market. Net sales in the European market, however, increased thanks to the strong performance of the Group's mainstay HMI products, including control switches, as well as the yen's depreciation. As a result, consolidated net sales for the first quarter under review totaled ¥18,180 million (down 9.8% year on year).

In terms of profit, operating profit decreased ¥1,488 million year on year to total ¥1,665 million (down 47.2% year on year) due to an increase in selling, general and administrative expenses resulting from the weak yen as well as a decrease in profit resulting from a drop in revenue. Ordinary profit fell ¥1,540 million year on year to ¥2,022 million (down 43.2% year on year), and net income attributable to owners of the parent decreased ¥1,087 million year on year to hit ¥1,467 million (down 42.6% year on year), due to an increase in a loss on valuation of derivatives despite an increase in foreign exchange gains as a result of the yen's depreciation.

The above results for the first quarter under review are as shown below.

|  | Three months ended<br>June 30, 2022 | Three months ended<br>June 30, 2023 | increase/<br>decrease | Rate of<br>change |
|--|-------------------------------------|-------------------------------------|-----------------------|-------------------|
| Net sales<br>(Millions of yen)                               | 20,157                              | 18,180                              | (1,977)               | (9.8%)            |
| Gross profit<br>(Millions of yen)                            | 8,629                               | 7,900                               | (728)                 | (8.4%)            |
| Gross income margin(%)                                       | 42.8                                | 43.5                                | +0.6                  | -                 |
| Operating profit<br>(Millions of yen)                        | 3,153                               | 1,665                               | (1,488)               | (47.2%)           |
| Operating income margin(%)                                   | 15.6                                | 9.2                                 | (6.5)                 | -                 |
| Ordinary profit<br>(Millions of yen)                         | 3,562                               | 2,022                               | (1,540)               | (43.2%)           |
| Profit attributable to owners of<br>parent (Millions of yen) | 2,555                               | 1,467                               | (1,087)               | (42.6%)           |

(Exchange Rate)

|                               |        |        |        |   |
|-------------------------------|--------|--------|--------|---|
| Average exchange rate for USD | 129.73 | 137.49 | +7.76  | - |
| Average exchange rate for EUR | 130.40 | 149.58 | +19.18 | - |
| Average exchange rate for CNY | 19.60  | 19.56  | (0.04) | - |

Results by segment for the first quarter under review are as follows.

**【Japan】**

In Japan, net sales decreased ¥1,493 million year on year to hit ¥7,736 million (down 16.2% year on year), and operating profit was down ¥833 million year on year to total ¥672 million (down 55.3% year on year). This was due in part to concerns about an economic downturn caused by price increases and the sluggish overseas economy, a sense of stagnation in key industries such as semiconductors and robotics, and distributors' inventory adjustments.

**【Americas】**

While the robust demand in North America that has continued from last year is subsiding, supply of our mainstay automation products has gotten back on track and helped push net sales up ¥180 million year on year to reach ¥3,675 million (up 5.2% year on year). Operating profit, on the other hand, decreased ¥144 million year on year to ¥356 million (down 28.9% year on year).

**【Europe, Middle East and Africa(EMEA)】**

Net sales in the European market increased ¥525 million year on year to total ¥3,817 million (up 16.0% year on year) thanks to an increase in sales of our mainstay HMI products, such as control switches, and an uptick in sales in yen terms due to the depreciation of the yen, despite the impact of price increases and geopolitical risks. Operating profit decreased ¥54 million year on year to ¥193 million (down 22.1% year on year).

**【Asia Pacific】**

In the Asia-Pacific region, net sales decreased ¥1,189 million year on year to total ¥2,950 million (down 28.7% year on year), and operating profit dropped ¥479 million year on year to hit ¥450 million (down 51.5% year on year) due to the impact of the economic slowdown in China and Southeast Asia.

Net sales by product category for the first quarter under review are as follows.

**【HMI】**

Net sales decreased ¥285 million year on year to reach ¥8,594 million (down 3.2% year on year) as a result of distributors' inventory adjustments as well as a decrease in demand for our mainstay switches in key industries such as semiconductors and machine tools in Japan, the Americas, and the Asia-Pacific region, although sales of programmable displays increased due to improved delivery times for electronic components.

\*This product category includes control switches, joysticks, indicator lights, and programmable displays, which are key human-machine interfaces (HMIs).

**【Industrial relays & components】**

Net sales were down ¥1,053 million year on year to hit ¥2,948 million (down 26.3% year on year) as a result of a decrease in sales of control relays in the Asia-Pacific region, our key market, due to the economic slowdown particularly in the Chinese market.

\*This product category includes switching power supplies, terminal blocks, control relays/sockets, and circuit protectors, which are built into control panels for controlling and operating machines and production lines and are used as the basis for control parts of machines and equipment.

**【Automation & sensing】**

Net sales increased ¥182 million year on year to reach ¥2,341 million (up 8.4% year on year) as a result of strong sales of programmable controllers, especially in the Americas, due to improved delivery times for electronic components.

\*This product category includes products designed to contribute to the automation of equipment used in a wide range of industrial and consumer applications, programmable controllers, which act as the brains of machines and equipment, and automatic identification devices, which are used in retail, logistics, and various other areas.

**【Safety & explosion protection】**

Net sales fell ¥737 million year on year to total ¥3,104 million (down 19.2% year on year) due to a downturn in sales of safety components as demand decreased in major industries such as semiconductors and machine tools caused by the economic slowdown, particularly in the Chinese market.

\*This product category includes safety components, such as emergency stop pushbutton switches, safety switches, and enabling devices, which protect the safety of industrial sites, as well as explosion-protection devices that prevent accidents at sites where explosive gases exist, such as oil and chemical plants.

**【Systems】**

Net sales dropped ¥39 million year on year to reach ¥911 million (down 4.2% year on year) due to a decrease in sales of control panels for semiconductor manufacturing facilities, logistics facilities, etc. in the Asia-Pacific region.

\*This product category includes various systems custom-made with IDEC products according to customer needs as well as collaborative robot system solutions that combine safety components and safety technologies to create optimal systems.

**【Others】**

Net sales fell ¥43 million year on year to total ¥280 million (down 13.4% year on year) as a result of a decrease in demand for other system-related products in Japan.

\*This product category includes mega-solar and photovoltaic power generation power management systems (renewable energy business), next-generation agricultural solutions, which are total solutions for agricultural plants using solar power, and ultra fine bubble generators, which are being researched for application in a wide range of fields.

(2) Explanation of financial position

(Assets, liabilities, and net assets)

Total assets at the end of the first quarter under review came to ¥106,601 million, an increase of ¥2,366 million since the end of the previous fiscal year. This uptick was mainly due to an increase of ¥2,195 million in property, plant and equipment and intangible assets, an increase of ¥1,912 million in inventories, and an increase of ¥664 million in trade receivables, despite a decrease of ¥2,670 million yen in cash and deposits.

Liabilities decreased ¥1,358 million from the end of the previous fiscal year to total ¥44,063 million. This was mainly due to a decrease of ¥1,302 million in income taxes payable.

Net assets increased ¥3,724 million from the end of the previous fiscal year to reach ¥62,538 million mainly due to an increase of ¥4,169 million in foreign currency translation adjustments, despite a decrease of ¥483 million in retained earnings.

(3) Explanation of future forecast information such as consolidated financial results forecasts

There is no change to the consolidated earnings forecast for the fiscal year ending March 2024, which was announced in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2023" dated May 12, 2023.

## 2. Consolidated Quarterly Financial Statements

### (1) Consolidated Quarterly Balance Sheets

(Millions of yen)

|   | As of March 31, 2023 | As of June 30, 2023 |
|---|----------------------|---------------------|
| <b>Assets</b>                                       |                      |                     |
| Current assets                                      |                      |                     |
| Cash and deposits                                   | 18,408               | 15,737              |
| Notes and accounts receivable - trade               | 12,987               | 13,520              |
| Electronically recorded monetary claims - operating | 1,022                | 1,153               |
| Merchandise and finished goods                      | 11,777               | 12,738              |
| Work in process                                     | 2,323                | 2,661               |
| Raw materials and supplies                          | 6,555                | 7,168               |
| Other   | 1,466                | 1,943               |
| Allowance for doubtful accounts                     | (23)                 | (31)                |
| Total current assets                                | <u>54,518</u>        | <u>54,892</u>       |
| Non-current assets                                  |                      |                     |
| Property, plant and equipment                       |                      |                     |
| Buildings and structures, net                       | 9,843                | 9,885               |
| Machinery, equipment and vehicles, net              | 3,513                | 3,732               |
| Tools, furniture and fixtures, net                  | 1,727                | 1,764               |
| Land  | 5,848                | 5,925               |
| Leased assets, net                                  | 190                  | 202                 |
| Right-of-use assets, net                            | 1,754                | 1,801               |
| Construction in progress                            | 887                  | 981                 |
| Total property, plant and equipment                 | <u>23,766</u>        | <u>24,293</u>       |
| Intangible assets                                   |                      |                     |
| Trademark right                                     | 2,411                | 2,589               |
| Customer-related intangible assets                  | 7,634                | 8,177               |
| Software  | 1,138                | 1,250               |
| Goodwill  | 11,636               | 12,467              |
| Other   | 63                   | 68                  |
| Total intangible assets                             | <u>22,885</u>        | <u>24,553</u>       |
| Investments and other assets                        |                      |                     |
| Investment securities                               | 601                  | 558                 |
| Long-term loans receivable                          | 49                   | 33                  |
| Retirement benefit asset                            | 318                  | 317                 |
| Deferred tax assets                                 | 1,490                | 1,337               |
| Other   | 641                  | 651                 |
| Allowance for doubtful accounts                     | (36)                 | (36)                |
| Total investments and other assets                  | <u>3,065</u>         | <u>2,862</u>        |
| Total non-current assets                            | <u>49,717</u>        | <u>51,709</u>       |
| Total assets  | <u>104,235</u>       | <u>106,601</u>      |

(Millions of yen)

|  | As of March 31, 2023 | As of June 30, 2023 |
|--|----------------------|---------------------|
| Liabilities  |                      |                     |
| Current liabilities  |                      |                     |
| Notes and accounts payable - trade                                   | 4,916                | 5,206               |
| Electronically recorded obligations - operating                      | 1,948                | 1,575               |
| Short-term borrowings  | 5,000                | 5,000               |
| Current portion of long-term borrowings                              | 11,935               | 14,665              |
| Lease liabilities  | 497                  | 557                 |
| Accounts payable - other   | 1,040                | 725                 |
| Accrued expenses   | 2,969                | 2,659               |
| Income taxes payable   | 1,911                | 608                 |
| Contract liabilities   | 686                  | 827                 |
| Deposits received  | 156                  | 334                 |
| Provision for product warranties                                     | 37                   | 44                  |
| Other  | 959                  | 1,091               |
| Total current liabilities  | 32,059               | 33,296              |
| Non-current liabilities  |                      |                     |
| Long-term borrowings   | 6,525                | 3,450               |
| Lease liabilities  | 1,530                | 1,543               |
| Deferred tax liabilities   | 3,007                | 3,204               |
| Provision for retirement benefits for directors (and other officers) | 50                   | 51                  |
| Retirement benefit liability   | 1,557                | 1,536               |
| Asset retirement obligations   | 120                  | 121                 |
| Other  | 571                  | 858                 |
| Total non-current liabilities  | 13,362               | 10,766              |
| Total liabilities  | 45,422               | 44,063              |
| Net assets   |                      |                     |
| Shareholders' equity   |                      |                     |
| Share capital  | 10,056               | 10,056              |
| Capital surplus  | 9,397                | 9,409               |
| Retained earnings  | 40,532               | 40,049              |
| Treasury shares  | (7,299)              | (7,269)             |
| Total shareholders' equity   | 52,687               | 52,245              |
| Accumulated other comprehensive income                               |                      |                     |
| Valuation difference on available-for-sale securities                | 24                   | (18)                |
| Foreign currency translation adjustment                              | 5,787                | 9,956               |
| Remeasurements of defined benefit plans                              | (33)                 | (34)                |
| Total accumulated other comprehensive income                         | 5,778                | 9,902               |
| Share acquisition rights   | 347                  | 390                 |
| Total net assets   | 58,813               | 62,538              |
| Total liabilities and net assets                                     | 104,235              | 106,601             |

(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income  
(Consolidated Quarterly Statements of Income)

(Millions of yen)

|   | Three months ended<br>June 30, 2022 | Three months ended<br>June 30, 2023 |
|---|-------------------------------------|-------------------------------------|
| Net sales   | 20,157                              | 18,180                              |
| Cost of sales   | 11,527                              | 10,279                              |
| Gross profit  | 8,629                               | 7,900                               |
| Selling, general and administrative expenses                  | 5,476                               | 6,235                               |
| Operating profit  | 3,153                               | 1,665                               |
| Non-operating income  |                                     |                                     |
| Interest and dividend income                                  | 10                                  | 34                                  |
| Share of profit of entities accounted for using equity method | 47                                  | 40                                  |
| Foreign exchange gains  | 524                                 | 581                                 |
| Other   | 44                                  | 90                                  |
| Total non-operating income                                    | 626                                 | 745                                 |
| Non-operating expenses  |                                     |                                     |
| Interest expenses   | 22                                  | 30                                  |
| Loss on valuation of derivatives                              | 132                                 | 289                                 |
| Other   | 61                                  | 68                                  |
| Total non-operating expenses                                  | 216                                 | 388                                 |
| Ordinary profit   | 3,562                               | 2,022                               |
| Extraordinary income  |                                     |                                     |
| Gain on sale of non-current assets                            | 2                                   | 3                                   |
| Gain on sale of investment securities                         | -                                   | 62                                  |
| Gain on reversal of share acquisition rights                  | 30                                  | 3                                   |
| Total extraordinary income                                    | 33                                  | 70                                  |
| Extraordinary losses  |                                     |                                     |
| Loss on sale of non-current assets                            | 1                                   | 0                                   |
| Loss on abandonment of non-current assets                     | 3                                   | 0                                   |
| Total extraordinary losses                                    | 4                                   | 1                                   |
| Profit before income taxes                                    | 3,591                               | 2,091                               |
| Income taxes - current  | 960                                 | 483                                 |
| Income taxes - deferred                                       | 105                                 | 139                                 |
| Total income taxes  | 1,066                               | 623                                 |
| Profit  | 2,524                               | 1,467                               |
| Loss attributable to non-controlling interests                | (30)                                | -                                   |
| Profit attributable to owners of parent                       | 2,555                               | 1,467                               |

## (Consolidated Quarterly Statements of Comprehensive Income)

(Millions of yen)

|  | Three months ended<br>June 30, 2022 | Three months ended<br>June 30, 2023 |
|--|-------------------------------------|-------------------------------------|
| Profit   | 2,524                               | 1,467                               |
| Other comprehensive income                                     |                                     |                                     |
| Valuation difference on available-for-sale securities          | (6)                                 | (43)                                |
| Foreign currency translation adjustment                        | 2,510                               | 4,169                               |
| Remeasurements of defined benefit plans, net of tax            | (1)                                 | (1)                                 |
| Total other comprehensive income                               | 2,502                               | 4,123                               |
| Comprehensive income   | 5,027                               | 5,591                               |
| Comprehensive income attributable to                           |                                     |                                     |
| Comprehensive income attributable to owners of parent          | 5,058                               | 5,591                               |
| Comprehensive income attributable to non-controlling interests | (30)                                | -                                   |

(3) Notes on the Consolidated Quarterly Financial Statements

[Notes - Uncertainties of entity's ability to continue as going concern]

No items to report

[Notes - When there are significant changes in amounts of equity]

No items to report

[Notes - Accounting treatments specific to quarterly financial statements]

(Calculation of Income tax expense)

Some consolidated subsidiaries have adopted a method for reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year that includes the first quarter under review and multiplying quarterly profit before income taxes by this estimated effective tax rate.

[Notes - Additional information]

(Change to the fiscal year, etc. of consolidated subsidiaries)

Effective from the first quarter under review, 13 APEM Group companies have changed their fiscal year-end from December 31 to March 31 in preparing their consolidated financial statements.

As a result of this change in the balance sheet date, profit or loss for the three months from January 1, 2023 to March 31, 2023 has been adjusted and consolidated as a decrease in retained earnings of ¥49 million.

[Notes - Segment information, etc.]

[Segment Information]

I Three months ended June 30, 2022 (From April 1, 2022 to June 30, 2022)

1. Disclosure of sales and profit (loss) for each reportable segment

(Millions of yen)

|                                       | Reportable segments |          |       |              |        | Adjustments | Consolidated total |
|---------------------------------------|---------------------|----------|-------|--------------|--------|-------------|--------------------|
|                                       | Japan               | Americas | EMEA  | Asia Pacific | Total  |             |                    |
| Net Sales                             |                     |          |       |              |        |             |                    |
| Revenue from Contracts with Customers | 9,230               | 3,495    | 3,291 | 4,140        | 20,157 | -           | 20,157             |
| Other income                          | -                   | -        | -     | -            | -      | -           | -                  |
| Revenues from external customers      | 9,230               | 3,495    | 3,291 | 4,140        | 20,157 | -           | 20,157             |
| Transactions with other segments      | 2,634               | 146      | 576   | 2,563        | 5,921  | (5,921)     | -                  |
| Total                                 | 11,864              | 3,642    | 3,867 | 6,704        | 26,078 | (5,921)     | 20,157             |
| Segment profit                        | 1,506               | 501      | 248   | 930          | 3,186  | (32)        | 3,153              |

(Notes)1. Adjustments of segment profit (32) million yen represents intersegment transactions.

2. Segment profit has been adjusted to be consistent with the operating profit reported in the consolidated statements of income.

3. These are mainly performance obligations that are satisfied at a point in time, but some performance obligations are satisfied over a period of time.

The amounts recognized as performance obligations satisfied over time are insignificant.

II Three months ended June 30, 2023 (From April 1, 2023 to June 30, 2023)

1. Disclosure of sales and profit (loss) for each reportable segment

(Millions of yen)

|                                       | Reportable segments |          |       |              |        | Adjustments | Consolidated total |
|---------------------------------------|---------------------|----------|-------|--------------|--------|-------------|--------------------|
|                                       | Japan               | Americas | EMEA  | Asia Pacific | Total  |             |                    |
| Net Sales                             |                     |          |       |              |        |             |                    |
| Revenue from Contracts with Customers | 7,736               | 3,675    | 3,817 | 2,950        | 18,180 | -           | 18,180             |
| Other income                          | -                   | -        | -     | -            | -      | -           | -                  |
| Revenues from external customers      | 7,736               | 3,675    | 3,817 | 2,950        | 18,180 | -           | 18,180             |
| Transactions with other segments      | 2,076               | 233      | 667   | 2,173        | 5,151  | (5,151)     | -                  |
| Total                                 | 9,813               | 3,908    | 4,485 | 5,124        | 23,331 | (5,151)     | 18,180             |
| Segment profit                        | 672                 | 356      | 193   | 450          | 1,673  | (8)         | 1,665              |

(Notes)1. Adjustments of segment profit (8) million yen represents intersegment transactions.

2. Segment profit has been adjusted to be consistent with the operating profit reported in the consolidated statements of income.

3. These are mainly performance obligations that are satisfied at a point in time, but some performance obligations are satisfied over a period of time.

The amounts recognized as performance obligations satisfied over time are insignificant.

### 3. Supplementary Information

#### (1) Summary of consolidated performance

(Millions of yen, %)

|  | Fiscal year ended<br>March 31, 2023 |       |           |       | Fiscal year ended<br>March 31, 2024 |      |                         |      |
|--|-------------------------------------|-------|-----------|-------|-------------------------------------|------|-------------------------|------|
|  | First<br>quarter                    | YoY   | Full year | YoY   | First<br>quarter                    | YoY  | Full year<br>(Forecast) | YoY  |
| Net sales                                  | 20,157                              | 116.7 | 83,869    | 118.5 | 18,180                              | 90.2 | 81,000                  | 96.6 |
| Operating profit                           | 3,153                               | 137.1 | 14,060    | 145.4 | 1,665                               | 52.8 | 13,800                  | 98.1 |
| Ordinary profit                            | 3,562                               | 146.2 | 14,403    | 138.5 | 2,022                               | 56.8 | 13,800                  | 95.8 |
| Profit attributable<br>to owners of parent | 2,555                               | 142.0 | 10,144    | 128.5 | 1,467                               | 57.4 | 9,500                   | 93.6 |

#### (2) Net sales by products

(Millions of yen, %)

|                                   | Fiscal year ended<br>March 31, 2023 |       |           |       | Fiscal year ended<br>March 31, 2024 |       |                         |       |
|-----------------------------------|-------------------------------------|-------|-----------|-------|-------------------------------------|-------|-------------------------|-------|
|                                   | First<br>quarter                    | YoY   | Full year | YoY   | First<br>quarter                    | YoY   | Full year<br>(Forecast) | YoY   |
| HMI                               | 8,880                               | 118.2 | 35,760    | 115.8 | 8,594                               | 96.8  | 36,200                  | 101.2 |
| Industrial relays &<br>components | 4,002                               | 122.6 | 15,476    | 113.6 | 2,948                               | 73.7  | 13,900                  | 89.8  |
| Automation &<br>sensing           | 2,158                               | 101.0 | 10,327    | 122.0 | 2,341                               | 108.4 | 10,200                  | 98.8  |
| Safety & explosion<br>protection  | 3,841                               | 125.9 | 16,282    | 128.1 | 3,104                               | 80.8  | 15,700                  | 96.4  |
| Systems                           | 950                                 | 105.5 | 4,848     | 129.5 | 911                                 | 95.8  | 4,000                   | 82.5  |
| Others                            | 323                                 | 80.1  | 1,174     | 86.1  | 280                                 | 86.6  | 1,000                   | 85.2  |
| Total                             | 20,157                              | 116.7 | 83,869    | 118.5 | 18,180                              | 90.2  | 81,000                  | 96.6  |

#### (3) Net sales by regions

(Millions of yen, %)

|                | Fiscal year ended<br>March 31, 2023 |       |           |       | Fiscal year ended<br>March 31, 2024 |       |                         |      |
|----------------|-------------------------------------|-------|-----------|-------|-------------------------------------|-------|-------------------------|------|
|                | First<br>quarter                    | YoY   | Full year | YoY   | First<br>quarter                    | YoY   | Full year<br>(Forecast) | YoY  |
| Japan          | 8,319                               | 113.3 | 34,519    | 111.7 | 6,681                               | 80.3  | 33,300                  | 96.5 |
| Overseas       |                                     |       |           |       |                                     |       |                         |      |
| Americas       | 3,457                               | 127.3 | 15,672    | 135.9 | 3,707                               | 107.2 | -                       | -    |
| EMEA           | 3,314                               | 111.4 | 13,466    | 114.6 | 3,776                               | 113.9 | -                       | -    |
| Asia Pacific   | 5,065                               | 119.6 | 20,210    | 121.7 | 4,015                               | 79.3  | -                       | -    |
| Total Overseas | 11,837                              | 119.3 | 49,349    | 123.7 | 11,498                              | 97.1  | 47,700                  | 96.7 |
| Total          | 20,157                              | 116.7 | 83,869    | 118.5 | 18,180                              | 90.2  | 81,000                  | 96.6 |

## (4) Orders received and orders backlog

(Millions of yen, %)

|              | First quarter of<br>fiscal year ending March 31, 2023 |       |                   |       | First quarter of<br>fiscal year ending March 31, 2024 |       |                   |       |
|--------------|---|-------|-------------------|-------|---|-------|-------------------|-------|
|              | Orders<br>received                                    | YoY   | Orders<br>backlog | YoY   | Orders<br>received                                    | YoY   | Orders<br>backlog | YoY   |
| Japan        | 11,057  | 98.2  | 19,875            | 222.3 | 6,550   | 59.2  | 12,329            | 62.0  |
| Americas     | 4,874   | 138.1 | 6,405             | 252.4 | 2,681   | 55.0  | 3,863             | 60.3  |
| EMEA         | 3,555   | 91.4  | 7,428             | 172.4 | 4,164   | 117.1 | 9,947             | 133.9 |
| Asia Pacific | 3,746   | 91.0  | 7,232             | 183.6 | 2,257   | 60.3  | 3,392             | 46.9  |
| Total        | 23,233  | 101.9 | 40,942            | 207.5 | 15,655  | 67.4  | 29,532            | 72.1  |

## (5) Consolidated statement of cash flows

(Millions of yen)

|   | Fiscal year ended<br>March 31, 2023 |                   |                  |                   | Fiscal year ended<br>March 31, 2024 |                   |                  |                   |
|---|-------------------------------------|-------------------|------------------|-------------------|-------------------------------------|-------------------|------------------|-------------------|
|   | First<br>quarter                    | Second<br>quarter | Third<br>quarter | Fourth<br>quarter | First<br>quarter                    | Second<br>quarter | Third<br>quarter | Fourth<br>quarter |
| Cash flows from<br>operating activities | (158)                               | 3,590             | 479              | 3,097             | (414)                               | -                 | -                | -                 |
| Cash flows from<br>investing activities | (602)                               | (879)             | (1,146)          | (481)             | 78                                  | -                 | -                | -                 |
| Cash flows from<br>financing activities | (1,917)                             | (384)             | (1,434)          | (666)             | (2,327)                             | -                 | -                | -                 |
| Cash and cash<br>equivalents            | 13,039                              | 15,521            | 13,019           | 15,070            | 12,969                              | -                 | -                | -                 |

## (6) Capital expenditure

(Millions of yen, %)

|              | Fiscal year ended<br>March 31, 2023 |       |           |       | Fiscal year ended<br>March 31, 2024 |       |                         |       |
|--------------|-------------------------------------|-------|-----------|-------|-------------------------------------|-------|-------------------------|-------|
|              | First<br>quarter                    | YoY   | Full year | YoY   | First<br>quarter                    | YoY   | Full year<br>(Forecast) | YoY   |
| Consolidated | 772                                 | 148.0 | 4,088     | 163.3 | 928                                 | 120.2 | 4,200                   | 102.7 |

## (7) Depreciation and amortization expense

(Millions of yen, %)

|              | Fiscal year ended<br>March 31, 2023 |       |           |       | Fiscal year ended<br>March 31, 2024 |       |                         |       |
|--------------|-------------------------------------|-------|-----------|-------|-------------------------------------|-------|-------------------------|-------|
|              | First<br>quarter                    | YoY   | Full year | YoY   | First<br>quarter                    | YoY   | Full year<br>(Forecast) | YoY   |
| Consolidated | 841                                 | 105.0 | 3,544     | 108.6 | 946                                 | 112.5 | 3,900                   | 110.0 |

## (8) R&amp;D expense

(Millions of yen, %)

|              | Fiscal year ended<br>March 31, 2023 |                |           |                | Fiscal year ended<br>March 31, 2024 |                |                         |                |
|--------------|-------------------------------------|----------------|-----------|----------------|-------------------------------------|----------------|-------------------------|----------------|
|              | First<br>quarter                    | Sales<br>Ratio | Full year | Sales<br>Ratio | First<br>quarter                    | Sales<br>Ratio | Full year<br>(Forecast) | Sales<br>Ratio |
| Consolidated | 691                                 | 3.4            | 2,958     | 3.5            | 687                                 | 3.8            | 3,100                   | 3.8            |