

## Restar Holdings (3156)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2021		323,815	6,238	5,689	4,054	134.85	85.00	2,441.16
FY03/2022		399,590	7,588	6,711	5,957	198.12	100.00	2,580.33
FY03/2023CoE		445,000	8,500	7,500	6,000	199.55	90.00	-
FY03/2022	YoY	23.4%	21.6%	18.0%	46.9%	-	-	-
FY03/2023CoE	YoY	11.4%	12.0%	11.8%	0.7%	-	-	-
Consolidated Quarter (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 FY03/2022		91,692	1,307	1,278	2,520	-	-	-
Q2 FY03/2022		100,924	2,110	1,962	1,436	-	-	-
Q3 FY03/2022		103,644	2,645	2,280	1,460	-	-	-
Q4 FY03/2022		103,330	1,526	1,191	541	-	-	-
Q1 FY03/2023		112,552	4,067	3,673	2,236	-	-	-
Q1 FY03/2023	YoY	22.8%	211.0%	187.4%	(11.3%)	-	-	-

Source: Company Data, WRJ Calculation

### 1.0 Executive Summary (5 October 2022)


#### Steadily Growing

Restar Holdings, which is one of the major electronics trading companies, sees short-term earnings surging, while planning to see long-term earnings steadily growing. For the actual results of Q1 FY03/2023, the Company saw sales and earnings substantially increased over the same period of the previous year on the Semiconductors & Electronic Components side (74.7% of sales and 91.9% of segment profit) and thus the same manner for the Company as a whole. In sales of devices, such as semiconductors, electronic components, batteries and chemical materials, the Company continues to capture robust demand associated with in-car equipment and industrial equipment in particular, while “deals on special demand for semiconductors” persisting. Further, the Company also benefits from net add-ons in sales and operating profit stemming from consolidation of PALTEK CORPORATION as a subsidiary. Meanwhile, from a long-term perspective, the Company advocates to solve social issues around the world by electronics as The Electronics Value Platformer. For example, the Company is to enhance its operations as so-called regenerative energy provider for the sake of realizing carbon-neutrality (net zero carbon emission). In fact, the Company has an aspect of aggressively undertaking the task of setting up new facilities for own mega-solar power stations, resulting in consistent increase of total power generation. The Company is now in the process of formulating midterm management plan that includes specific performance target, while planning to disclose the content in the near future.

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## 2.0 Company Profile

### One of the Major Electronics Trading Companies

<b>Company Name</b>	Restar Holdings Corporation <a href="#">Company Website</a> <a href="#">IR Information</a> <a href="#">Share price (Japanese)</a>	 Restar Holdings Corporation
<b>Established</b>	1 October 2009	
<b>Listing</b>	4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 3156) 1 October 2009: Tokyo Stock Exchange 1st section	
<b>Capital</b>	¥4,383m (as of the end of June 2022)	
<b>No. of Shares</b>	30,072,643 shares, including 4,317 treasury shares (as of the end of June 2022)	
<b>Main Features</b>	<ul style="list-style-type: none"> <li>● Established by merger between UKC Holdings and Vitec Holdings in April 2019</li> <li>● Consolidated PALTEK as a wholly owned subsidiary on 2 September 2021</li> <li>● Consistently expanding total power generation of mega-solar power stations</li> </ul>	
<b>Segments</b>	I . Semiconductors & Electronic Components (sale of devices / operations of EMS) II . Procurement (provision of supply chain management as services) III. Electronic Equipment (sale of electronic equipment and system equipment) IV. Environmental Energy (energy / sale of power / vegetable factory)	
<b>Representatives</b>	Representative Director, CEO: Kunihiro Konno Representative Director: Tadahito Takahashi and Tomoharu Asaka	
<b>Shareholders</b>	KMF Corporation 17.12%, S-GRANT, Co. Ltd. 9.63%, The Master Trust Bank of Japan, T. 8.49% (as of the end of March 2022, but for treasury shares)	
<b>Head Office</b>	Shinagawa-ku, Tokyo, JAPAN	
<b>No. of Personnel</b>	Consolidated: 2,760, Unconsolidated:108 (as of the end of June 2022)	

Source: Company Data

## 3.0 Management Principles

### The Electronics Value Platformer

The Company's management principles sets “we help society evolve by leveraging information and technology to create and deliver new value and services” as mission, while aiming to become “the Electronics Value Platformer” that accommodates all manner of stakeholder needs at the same time. Meanwhile, the Company is to contribute to the sustainable development of society by engaging in operations that solve various social issues through information and technology, which is revealed as its Basic Sustainability Policy.

#### Management Principles of the Restar Group

##### Mission

We help society evolve by leveraging information and technology to create and deliver new value and services.

##### Vision

We aim to be “the Electronics Value Platformer” that accommodates all manner of stakeholder needs.  
“Global (in view and scale)” “ Social Contribution”  
“Collaboration and Innovation”

##### Value

- Through collaboration, we reflect diverse points of view as we create new cultures and values.
- Through innovative ideas and passion, we take on challenges and aim for higher targets.
- By expanding our business arena to encompass the entire world, we contribute to sustainable social evolution.

Source: Company Data

On 12 September 2022, the Company announced that it had formulated its Basic Sustainability Policy, while having had mentioned to strengthen its promotion of various sustainability-related activities for the future. Further information is available on [the Company website](#). The objective of formulating this policy is to promote the resolution of ESG (environment, society and governance) issues through the integrated management of the Company with measures to address such issues from a sustainability perspective. According to the Company, the identification of material issues based on the basic policy has been completed, while the proactive approach to climate change will be strengthened as a corporate entity. In other words, by linking business activities and social contributions in an interactive manner, the Company aims to realize a sustainable society, while striving to enhance corporate value at the same time.

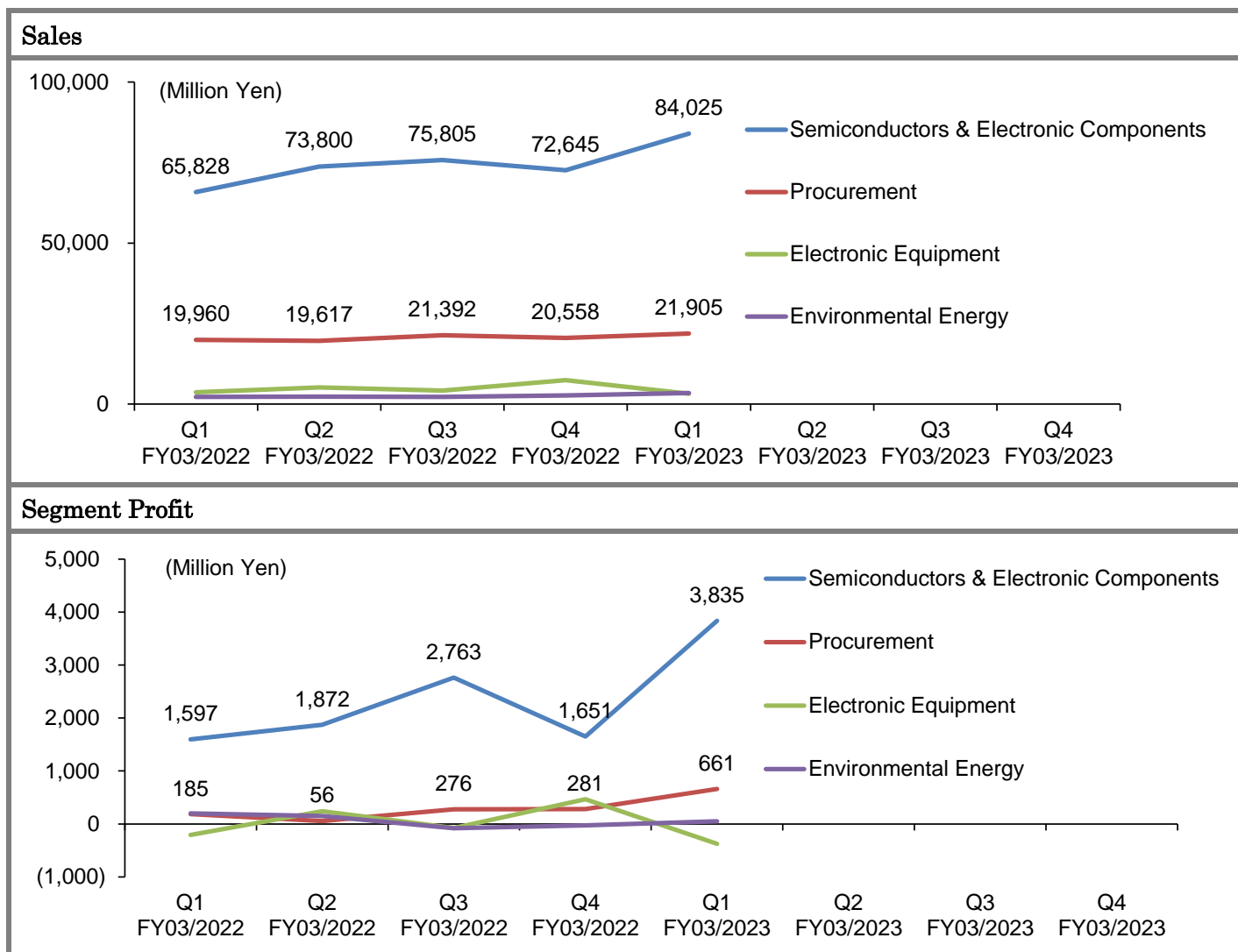
## Company History

Date	Events
May 2009	USC Corporation (hereafter "USC") and Kyoshin Technosonic Co., Ltd. ("Kyoshin Technosonic") agreeing to integrate management through the establishment of a joint holding company (share transfer) and entering into a merger agreement
October 2009	USC and Kyoshin Technosonic establishing a joint holding company, UKC Holdings Co., Ltd., through a share transfer (listed on Tokyo Stock Exchange 1st section)
October 2010	CU TECH CORPORATION and its subsidiary Dongguan CU Tech Electronics Corporation becoming subsidiaries through acquisition of the shares
October 2011	Corporate name changing to UKC ELECTRONICS CORPORATION after merger between USC and Kyoshin Technosonic with the latter as a surviving company
April 2015	Acquiring rights and duties related to the business of Semiconductors & Electronic Components of UKC ELECTRONICS CORPORATION through an absorption-type company split and UKC ELECTRONICS CORPORATION changing its corporate name to "UKC Techno-Solution Corporation"
May 2018	Making LSI Techno Inc. a subsidiary by acquisition of the shares and changing its corporate name to "UKC System Engineering Corporation"
June 2018	Transitioning to a company with an audit & supervisory committee
April 2019	UKC Holdings Co., Ltd. and Vitec Holdings Co., Ltd. integrating management and starting operations with a new corporate name of "Restar Holdings Corporation" in the current location after moving of the head office
April 2020	Transitioning to Innovative Management on a Group Basis
June 2021	Making PALTEK CORPORATION a subsidiary (wholly owned on 2 September 2021)
April 2022	Listing onto Tokyo Stock Exchange Prime Market

## 4.0 Recent Trading and Prospects

### Q1 FY03/2023

For Q1 FY03/2023, sales came in at ¥112,552m (up 22.8% YoY), operating profit ¥4,067m (up 211.0%), recurring profit ¥3,673m (up 187.4%) and profit attributable to owners of parent ¥2,236m (down 11.3%). At the extraordinary level, the Company did not see reappearance for extraordinary gain of ¥1,709m (on negative goodwill arisen from the consolidation of PALTEK CORPORATION) that occurred during the same period of the previous year, having resulted in a factor to lower profit attributable to owners of parent to a corresponding extent.

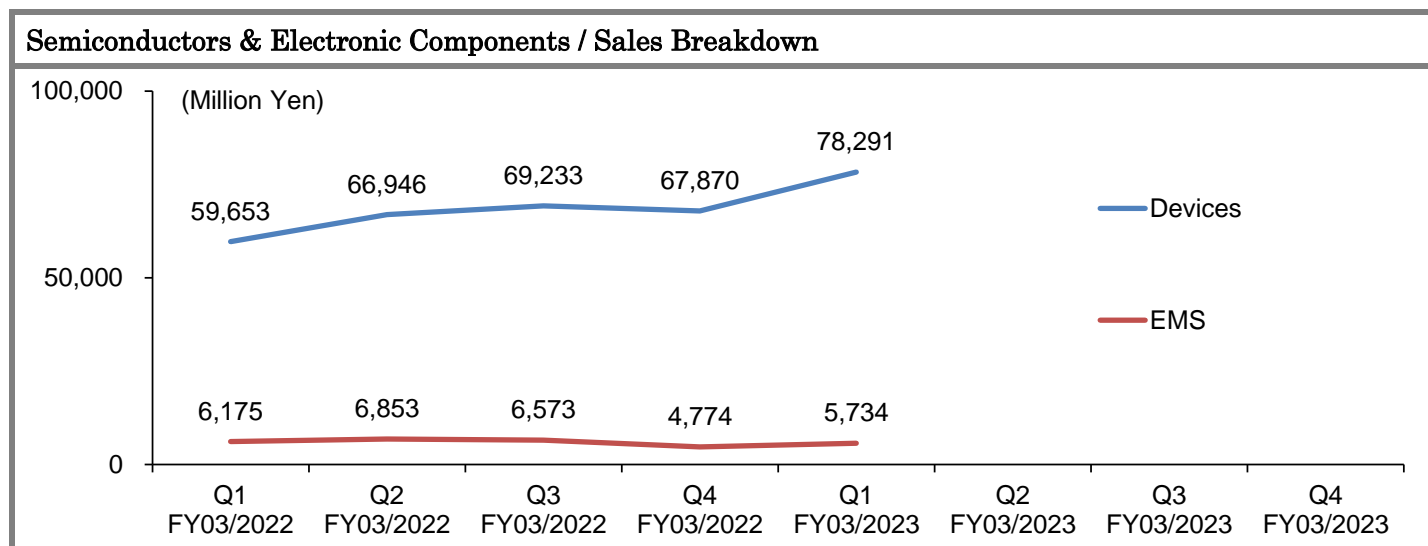


Source: Company Data, WRJ Calculation

Meanwhile, gross profit came in at ¥10,173m (up 63.0%) and SG&A expenses ¥6,105m (up 23.8%), implying gross profit margin of 9.0% (up 2.2% points) and sales to SG&A expenses ratio of 5.4% (up 0.05% points). Consequently, operating profit margin came in at 3.6% (up 2.2% points), having achieved a sharp rise. By segment, the contribution from the mainstay Semiconductors & Electronic Components was conspicuously large.

### Semiconductors & Electronic Components (74.7% of sales / 91.9% of segment profit)

For Q1 FY03/2023, sales came in at ¥84,025m (up 27.6%), segment profit ¥3,835m (up 140.1%) and segment profit margin 4.6% (up 2.1% points). Meanwhile, FY03/2023 Company forecasts assume prospective sales of ¥303,500m (up 5.4%), segment profit of ¥7,010m (down 11.1%) and segment profit margin of 2.3% (down 0.4% points). Therefore, for the actual results of Q1, the Company saw progress rate of 27.7% in sales and 54.7% in segment profit. In the same manner, the Company as a whole saw progress rate of 25.3% in sales and 47.8% in operating profit, to which this segment has contributed conspicuously.




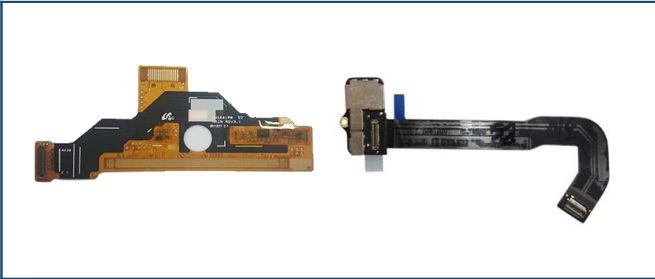

Source: Company Data, WRJ Calculation

For the actual results of Q1, sales of devices came in at ¥78,291m (up 31.2%), having accounted for 93.2% of total in this segment, while sales of EMS came in at ¥5,734m (down 7.1%), having accounted for the remaining 6.8%. The Company saw progress rate of 28.0% in devices and 24.4% in EMS, when compared with assumptions of FY03/2023 Company forecasts.

The performance of EMS is of operations by a subsidiary based in South Korea (CU TECH CORPORATION), mainly those of build-to-order manufacturing of smartphones and tablets for local customers with its facilities in South Korea, China (Dongguan) and Vietnam. According to the Company, sales for Q1 decreased over the same period of the previous year due mainly to decreased demand associated with smartphones.

Meanwhile, the Company has acquired IATF16949, i.e., the international standard for quality management system specializing in the automotive industry, currently developing EMS operations for in-car equipment. For FY03/2023, the impacts stemming from here to sales will remain insignificant, but the Company is looking to a gradually expanding contribution from a long-term perspective.

Surging sales of the mainstay devices should have overwhelmingly contributed to surging earnings in this segment as a whole. In light of the fact that increased earnings in this segment drove earnings for the Company as a whole, increased earnings for the Company as whole are basically attributable to those of devices. In sales of devices, such as semiconductors, electronic components, batteries and chemical materials, the Company continues to capture robust demand associated with in-car equipment and industrial equipment in particular, while “deals on special demand for semiconductors” persisting. Further, the Company also benefits from net add-ons in sales and operating profit stemming from consolidation of PALTEK CORPORATION as a subsidiary.

Semiconductors & Electronic Components / Application Examples for Devices and EMS	
Devices	EMS
	 
<p><b>Automobiles: technical supports for camera monitoring systems, object position detecting sensors, etc.</b></p>	<p><b>Smartphones: mounting FPCs for OLEDs</b></p>

Source: Company Data

Consequently, it appears that the actual results of Q1 for the Company as a whole were far better than assumptions of full-year Company forecasts in earnings and full-year Company forecasts are to be exceeded. However, full-year Company forecasts have remained unchanged to date. The Company suggests that it is currently in the process of quest to see if “deals on special demand for semiconductors,” contributing to earnings a lot, are further upcoming or not, while taking the measure of contribution from consolidation of PALTEK CORPORATION as a subsidiary for Q2 and thereafter. On top of this, the Company is also taking the measure of trends in operation of segments other than Semiconductors & Electronic Components at the same time.

In the first place, “deals on special demand for semiconductors” are those of stocking and selling for semiconductors carrying high gross profit margin, responding to “special demand” being generated against the backdrop of the recent tightening of semiconductor supply and demand situation. According to the Company, there are still some cases persisting that it suffers from exhaustion of inventory at own regular suppliers with no short-term prospects for replenishment, even though there is an absolute need for some specific semiconductors in some specific users or customers. In light of this, the Company implements a measure of collecting so-called distribution inventory scattered from here to breakfast for the sake of responding to all those customer needs of procurement, i.e., “special demand.” In such operations, there is an aspect that the Company creates added value more than usually, naturally resulting in gross profit margin higher, according to the Company. Thus, “deals on special demand for semiconductors” would be defined as those of stocking and selling for semiconductors to benefit from gross profit margin especially high by means of responding to special demand with an especial manner. Meanwhile, what is cited as a characteristic of "deals on special demand for semiconductors" is that there is a considerably strong aspect that all the deals are of one-off events, and it is too difficult to reasonably estimate whether or not there will be an occurrence in the future, while the same applies to estimate the size of the deals when they occur.

For FY03/2022, it appears that the Company saw a number of “deals on special demand for semiconductor”, having contributed to earnings on the Semiconductors & Electronic Components side, while FY03/2023 Company forecasts assume no occurrence of the deals in light of the fact that they have the above-mentioned characteristic. This is the key factor why prospective segment profit has been assumed to decline over the previous year since the beginning of the year as above-mentioned. However, the Company did see an occurrence of “deals on special demand for semiconductors” in the actual results of Q1, while it is implied that this was a major contributor to earnings. It has been remaining too difficult to reasonably estimate whether or not there will be an occurrence in the future, while the same applies to estimate the size of the deals when they occur. In the latest situations, meanwhile, the Company sometimes sees cases that the tightening of supply-demand balance for semiconductors has become easing, but it may be too early to estimate that this should be necessarily applied to all the Company’s specific deals in the future.

PALTEK CORPORATION has become the Company’s subsidiary since 3 June 2021, when the tender offer was settled, while having contributed to sales and earnings on a consolidated basis since Q2 FY03/2022. Thus, this subsidiary brought forth some net add-ons in sales and earnings for the actual results of Q1 FY03/2023 in terms of year-on-year changes on the Semiconductors & Electronic Components side. In this respect, the Company saw what was expected, while it is suggested that earnings stemming from here were far better than initially assumed. Yen’s depreciation against US dollar is raised as the key positive factor. The Company suggests that PALTEK CORPORATION is heavily involved with operations to import semiconductors from suppliers overseas to sell in Japan and thus this subsidiary has a strong tendency to see cost of sales lowered, when yen gets depreciated drastically in a short term. The fact that the converse is also true implies that this is also not an appropriate factor to reasonably revise up full-year Company forecasts at the moment.

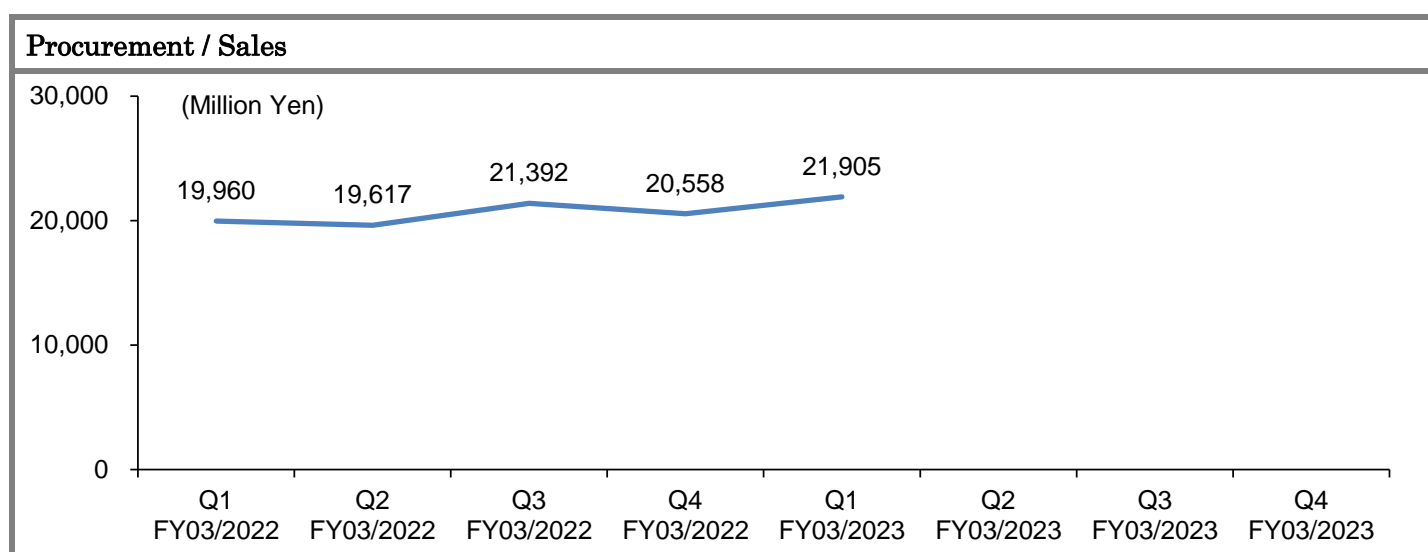


Meanwhile, the Company is trying to get at sales enhancement in the focus areas especially associated with industrial equipment and in-car equipment as its sales strategy of devices. On the industrial equipment side, the Company says that it will focus on sales promotions especially for image sensors or the merchandises with the exclusive strengths. At the same time, the Company is also trying to get at a realization of its measure to create added value enhanced (raising gross profit margin) by means of going ahead of shifting to modularization from selling procured merchandises alone and then to provision of system solutions. For modularization, the Company combines a number of procured standalone items to generate a specific functionality for the sake of selling them as a unit to comprise systems or final products. Further, the Company is trying to get at increased involvement with provision of system solutions by means of combining the said units.

In this respect as well, the Company says that it benefits from consolidation of PALTEK CORPORATION as a subsidiary. This subsidiary deals in unique semiconductors overseas, represented by FPGA, which have been all added in the Company's merchandise portfolio, enabling to pursue a variety of modularization enhanced to a corresponding extent, which is also true of provision of system solutions as well. By the way, FPGA (Field-programmable Gate Array) is defined as "a type of integrated circuits being capable of handling a wide range of applications such as telecom equipment, industrial equipment and servers," with a feature of "design being changed by engineers as many times as necessary after the manufacture." At the same time, the Company says that technology and knowhow held by PALTEK CORPORATION are indispensable for sale of FPGA and thus carrying added value higher to a corresponding extent.

### Procurement (19.5% of sales / 15.8% of segment profit)

For Q1 FY03/2023, sales came in at ¥21,905m (up 9.7%), segment profit ¥661m (up 256.3%) and segment profit margin 3.0% (up 2.1% points). Meanwhile, FY03/2023 Company forecasts assume prospective sales of ¥102,000m (up 25.1%), segment profit of ¥320m (down 59.9%) and segment profit margin of 0.3% (down 0.7% points). Therefore, for the actual results of Q1, the Company saw progress rate of 21.5% in sales and 206.6% in segment profit. For segment profit, the Company says that it has substantially benefited from positive impacts stemming from yen's depreciation, while this is basically all offset by negative impacts at the non-operating level to a corresponding extent. The Company did see benefits of improvement in sales mix and streamlining of SG&A expenses, but sales and segment profit were roughly in line with expectations, when the impacts of forex changes are excluded.

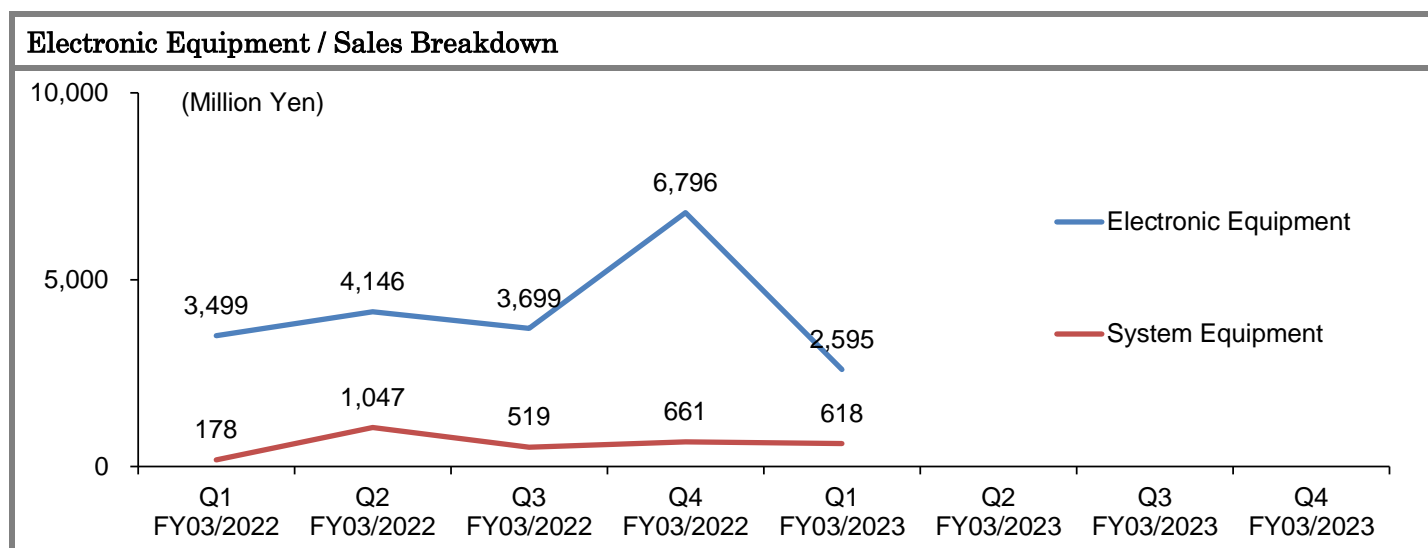


Source: Company Data, WRJ Calculation

On the Procurement side, the Company is entrusted with servicing customers' supply chain management from a global perspective, while sales are booked on a gross basis. The reason cited for steady increase in sales is that sales have been firm for the Panasonic Group, which has traditionally been the mainstay customer, while having made significant progress in acquiring new customers outside of the Panasonic Group. Meanwhile, full-year Company forecasts assume segment profit to decline to less than half the level of the previous year as both of the key contributors for FY03/2022 are assumed not to reappear, i.e., increased gross profit in line with yen's depreciation and occurrence of "deals on special demand for semiconductors."

### Electronic Equipment (2.9% of sales / minus 9.0% of segment profit)







For Q1 FY03/2023, sales came in at ¥3,214m (down 12.6%), segment profit minus ¥376m (versus minus ¥206m during the same period of the previous year) and segment profit margin minus 11.7% (down 6.1% points). Meanwhile, FY03/2023 Company forecasts assume prospective sales of ¥27,800m (up 35.3%), segment profit of ¥1,670m (up 292.0%) and segment profit margin of 6.0% (up 3.9% points). Therefore, for the actual results of Q1, the Company saw progress rate of 11.6% in sales and minus 22.5% in segment profit.



Source: Company Data, WRJ Calculation

For the actual results of Q1, sales of electronic equipment came in at ¥2,595m (down 25.8%), having accounted for 80.7% of total in this segment, while sales of system equipment came in at ¥618m (up 246.0%), having accounted for the remaining 19.2%. The Company saw progress rate of 11.3% in electronic equipment and 12.9% in system equipment, when compared with assumptions of FY03/2023 Company forecasts.

With respect to electronic equipment, the Company deals in merchandises of a wide range of manufacturers based in Japan and overseas, represented by the Sony Group's equipment related to broadcasting and video production. Meanwhile, the reason cited for the decline in sales of electronic equipment for Q1 is that shipment of merchandises by the Company was inevitably delayed due to lockdown in Shanghai, delays in semiconductor production and delays in delivery of parts and materials. Thus, the mainstay electric equipment has suffered from a deterioration in profit and loss and thus the same for this segment as a whole. Meanwhile, full-year Company forecasts assume a major increase in sales. According to the Company, consolidation of TAC SYSTEM, INC., holding strengths in audio field, as a subsidiary in April 2022 has made it possible to provide solutions to integrate video and audio, which is expected to enhance sales promotions of electronic equipment. However, it takes a while to benefit from such synergy, while the operations currently suffer from delayed shipment due to external factors. As far as we could see, all those factors have been negatively affecting to trading so far.

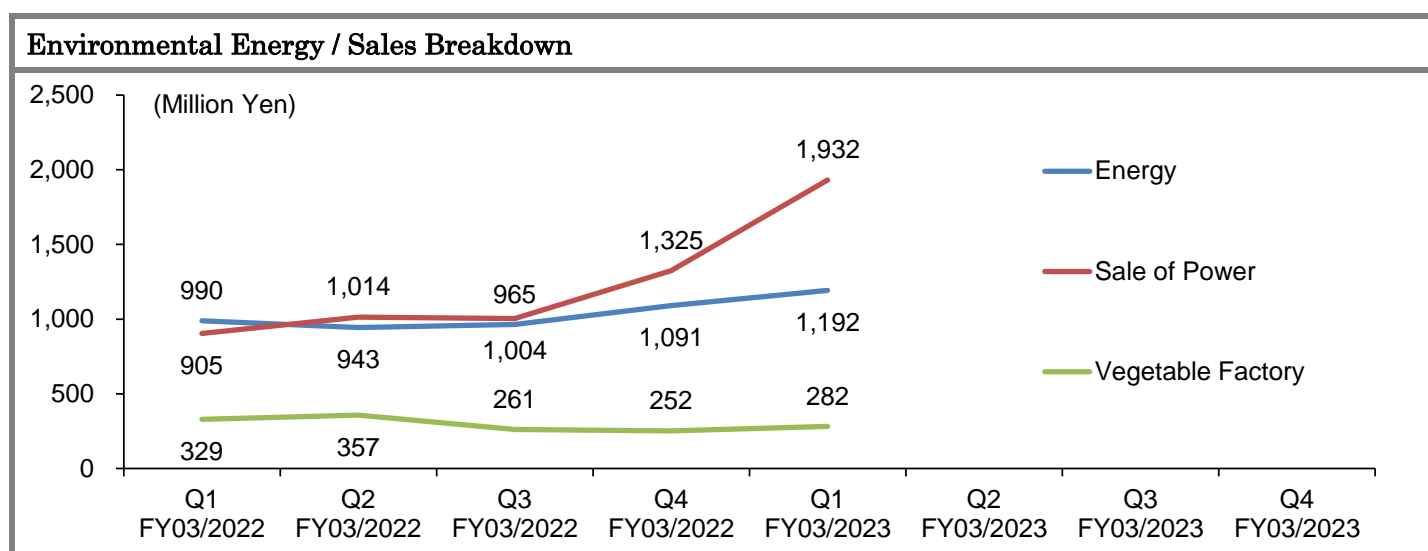
The Mainstay Merchandises of Electronic Equipment		
Broadcasting / Video Production	Conference System	Educational Institutions
		
The Mainstay Merchandises of System Equipment		
Certification of Individuals	Settlement for Vending Machines	Cashless Settlement
		

Source: Company Data

With respect to system equipment, the Company mainly deals in the Social Security and Tax Number System equipment for certification of individuals, terminals of settlement for vending machines and terminals for cashless settlement. For Q1, sales of system equipment have risen sharply over the same period of the previous year and thus improved for profit and loss, according to the Company. Demand for terminals of settlement for vending machines, mainly related to that of office, has shown a trend of recovery, which is also true of terminals of security assurance associated with entering and leaving. All those trends are driven by those of recovery in coming into office. On top of this, the Company says that it also sees a favorable takeoff for sales of terminals of settlement, manufactured overseas, due to consolidation of CARDSERVICE Inc., holding a 40% market share for terminals of settlement in Japan, as a subsidiary in February 2022. In fact, the Company is going for a gradually increasing synergy stemming from here, assuming sales of system equipment to roughly double in full-year Company forecasts. Meanwhile, on 1 November 2022, the Company is to merge CARDSERVICE Inc.(surviving company) with Restar Castec Corporation for the sake of further pursuing synergy in the future.

### Environmental Energy (3.0% of sales / 1.2% of segment profit)

For Q1 FY03/2023, sales came in at ¥3,407m (up 53.2%), segment profit ¥51m (down 74.0%) and segment profit margin 1.5% (down 7.4% points). Meanwhile, FY03/2023 Company forecasts assume prospective sales of ¥12,600m (up 33.5%), segment profit of ¥660m (up 179.7%) and segment profit margin of 5.2% (up 2.7% points). Therefore, for the actual results of Q1, the Company saw progress rate of 27.0% in sales and 7.7% in segment profit.



Source: Company Data, WRJ Calculation

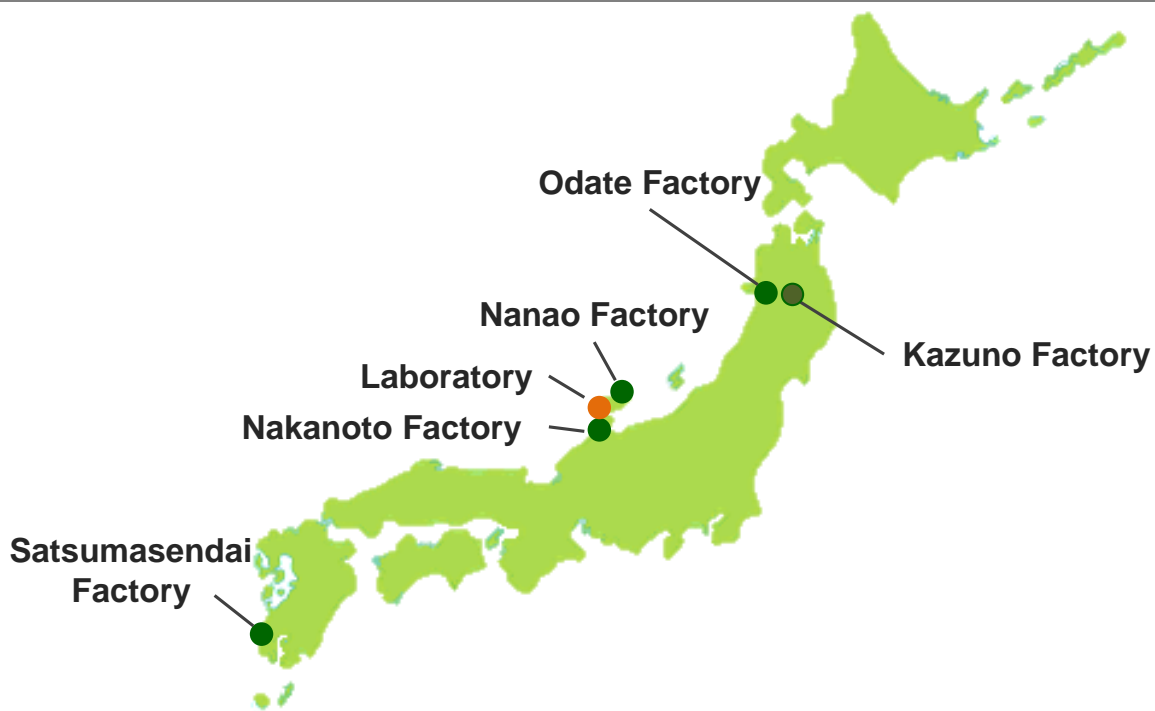
For the actual results of Q1, sales of energy (renewable energy generation) came in at ¥1,192m (up 20.5%), having accounted for 35.0% of total in this segment, while sales of sale of power (electricity retailing) came in at ¥1,932m (up 113.5%), having accounted for 56.7%, and sales of vegetable factory (production and sale of vegetables) came in at ¥282m (down 14.2%), having accounted for 8.3%. The Company saw progress rate of 17.5% in energy, 46.0% in sale of power and 17.6% in vegetable factory, when compared with assumptions of FY03/2023 Company forecasts. Meanwhile, the Company says that it has benefited from increased earnings in line with increased sales for energy, but this has been far more than offset by a major deterioration in profit and low for sale of power. Thus, the Company has inevitably suffered from a major decline in segment profit over the same period of the previous year.

With respect to energy (renewable power generation), the Company sells electricity through its operations of own mega-solar power stations based in Japan and Taiwan, while also being involved with sale of electricity through its power generation by wind in Japan. For the actual results of Q1, the Company saw the total amount of power produced of 175 MW (up 8.1%) with own mega-solar power stations, having comprised 148 MW (up 1.7%) in Japan and 27 MW (up 66.4%) in Taiwan. Meanwhile, the Company saw sales of ¥1,546m (up 13.5%), mainly as compensations for sale of electricity stemming from here. The above-mentioned sales of ¥1,192m are of external sales and the remaining ¥354m (down 4.8%) are of compensations of sale of electricity to own operations of sale of power. In other words, there is an aspect that the Company's renewable power generation forms a part of power suppliers for own operations of electricity retailing.

For external sales of energy, the Company saw progress rate rather small, when compared with assumptions of FY03/2023 Company forecasts, but this is basically in line with assumptions. The background to this is that the increase in power generation due to startup of operations in newly setup facilities in Taiwan has already contributed, while this will take place in Japan for Q2 and thereafter. Thus, the Company suggests that sales or compensations for sale of electricity stemming from own mega-solar power stations in Japan will see the rate of increase accelerating as time goes by.

With respect to sale of power (electricity retailing), the Company is one of the business operators in the so-called power-supply industry. The Company has achieved a substantial increase in sales, mainly due to aggressively capturing the increase in demand related to government agencies and the progress rate against full-year Company forecasts is at a considerably high level. However, the extent of the deterioration in earnings due to the soaring electricity procurement prices is severe, suggesting that it has considerable negative impacts on the deterioration in segment profit as a whole.

### Locations of Vegetable Factory



For vegetable factory (production and sale of vegetables), the Company runs five locations of completely closed vegetable factory in Japan as the key operations, where it raises vegetables, represented by green leaf lettuce, for sale. For the actual result of Q1, sales were forced to decline and progress rate has been low against assumptions of full-year Company forecasts. According to the Company, the trends have been firm for sales to grocery supermarkets, while having steadily captured increased demand associated with eating-out. Nevertheless, all those positive factors have been more than offset by negative factors associated with the Company's ongoing review on the business content, having resulted in lowered sales for vegetable factory as a whole.

### Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	03/2022	03/2022	03/2022	03/2022	03/2023	03/2023	03/2023	03/2023		
<b>Sales</b>	<b>91,692</b>	<b>192,616</b>	<b>296,260</b>	<b>399,590</b>	<b>112,552</b>	-	-	-	-	<b>+20,860</b>
Cost of Sales	85,452	178,703	274,107	369,407	102,379	-	-	-	-	+16,927
Gross Profit	6,240	13,913	22,153	30,183	10,173	-	-	-	-	+3,933
SG&A Expenses	4,932	10,495	16,090	22,595	6,105	-	-	-	-	+1,173
<b>Operating Profit</b>	<b>1,307</b>	<b>3,417</b>	<b>6,062</b>	<b>7,588</b>	<b>4,067</b>	-	-	-	-	<b>+2,760</b>
Non Operating Balance	(29)	(177)	(542)	(877)	(394)	-	-	-	-	(365)
<b>Recurring Profit</b>	<b>1,278</b>	<b>3,240</b>	<b>5,520</b>	<b>6,711</b>	<b>3,673</b>	-	-	-	-	<b>+2,395</b>
Extraordinary Balance	1,709	1,748	1,973	1,825	(107)	-	-	-	-	(1,816)
Profit before Income Taxes	2,987	4,988	7,493	8,536	3,566	-	-	-	-	+579
Total Income Taxes	545	1,091	2,080	2,634	1,301	-	-	-	-	+756
NP Belonging to Non-Controlling SHs	(79)	(59)	(4)	(54)	28	-	-	-	-	+107
<b>Profit Attributable to Owners of Parent</b>	<b>2,520</b>	<b>3,956</b>	<b>5,416</b>	<b>5,957</b>	<b>2,236</b>	-	-	-	-	<b>(284)</b>
Sales YoY	+33.5%	+30.7%	+26.2%	+23.4%	+22.8%	-	-	-	-	-
Operating Profit YoY	+28.7%	+13.5%	+24.1%	+21.6%	+211.0%	-	-	-	-	-
Recurring Profit YoY	+18.1%	+17.5%	+27.0%	+18.0%	+187.4%	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	+238.0%	+99.4%	(25.5%)	+46.9%	(11.3%)	-	-	-	-	-
Gross Profit Margin	6.8%	7.2%	7.5%	7.6%	9.0%	-	-	-	-	+2.2%
Sales to SG&A Expenses Ratio	5.4%	5.4%	5.4%	5.7%	5.4%	-	-	-	-	+0.05%
Operating Profit Margin	1.4%	1.8%	2.0%	1.9%	3.6%	-	-	-	-	+2.2%
Recurring Profit Margin	1.4%	1.7%	1.9%	1.7%	3.3%	-	-	-	-	+1.9%
Profit Attributable to Owners of Parent Margin	2.7%	2.1%	1.8%	1.5%	2.0%	-	-	-	-	(0.8%)
Total Income Taxes / Profit before Income Taxes	18.2%	21.9%	27.8%	30.9%	36.5%	-	-	-	-	+18.2%
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	03/2022	03/2022	03/2022	03/2022	03/2023	03/2023	03/2023	03/2023		
<b>Sales</b>	<b>91,692</b>	<b>100,924</b>	<b>103,644</b>	<b>103,330</b>	<b>112,552</b>	-	-	-	-	<b>+20,860</b>
Cost of Sales	85,452	93,251	95,404	95,300	102,379	-	-	-	-	+16,927
Gross Profit	6,240	7,673	8,240	8,030	10,173	-	-	-	-	+3,933
SG&A Expenses	4,932	5,563	5,595	6,505	6,105	-	-	-	-	+1,173
<b>Operating Profit</b>	<b>1,307</b>	<b>2,110</b>	<b>2,645</b>	<b>1,526</b>	<b>4,067</b>	-	-	-	-	<b>+2,760</b>
Non Operating Balance	(29)	(148)	(365)	(335)	(394)	-	-	-	-	(365)
<b>Recurring Profit</b>	<b>1,278</b>	<b>1,962</b>	<b>2,280</b>	<b>1,191</b>	<b>3,673</b>	-	-	-	-	<b>+2,395</b>
Extraordinary Balance	1,709	39	225	(148)	(107)	-	-	-	-	(1,816)
Profit before Income Taxes	2,987	2,001	2,505	1,043	3,566	-	-	-	-	+579
Total Income Taxes	545	546	989	554	1,301	-	-	-	-	+756
NP Belonging to Non-Controlling SHs	(79)	20	55	(50)	28	-	-	-	-	+107
<b>Profit Attributable to Owners of Parent</b>	<b>2,520</b>	<b>1,436</b>	<b>1,460</b>	<b>541</b>	<b>2,236</b>	-	-	-	-	<b>(284)</b>
Sales YoY	+33.5%	+28.3%	+18.4%	+16.1%	+22.8%	-	-	-	-	-
Operating Profit YoY	+28.7%	+5.7%	+41.3%	+12.7%	+211.0%	-	-	-	-	-
Recurring Profit YoY	+18.1%	+17.1%	+43.5%	(11.3%)	+187.4%	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	+238.0%	+16.0%	(72.4%)	-	(11.3%)	-	-	-	-	-
Gross Profit Margin	6.8%	7.6%	8.0%	7.8%	9.0%	-	-	-	-	+2.2%
Sales to SG&A Expenses Ratio	5.4%	5.5%	5.4%	6.3%	5.4%	-	-	-	-	+0.05%
Operating Profit Margin	1.4%	2.1%	2.6%	1.5%	3.6%	-	-	-	-	+2.2%
Recurring Profit Margin	1.4%	1.9%	2.2%	1.2%	3.3%	-	-	-	-	+1.9%
Profit Attributable to Owners of Parent Margin	2.7%	1.4%	1.4%	0.5%	2.0%	-	-	-	-	(0.8%)
Total Income Taxes / Profit before Income Taxes	18.2%	27.3%	39.5%	53.1%	36.5%	-	-	-	-	+18.2%

Source: Company Data, WRJ Calculation

## Segmented Information (Cumulative / Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2022	Q1 to Q2 03/2022	Q1 to Q3 03/2022	Q1 to Q4 03/2022	Q1 03/2023	Q1 to Q2 03/2023	Q1 to Q3 03/2023	Q1 to Q4 03/2023		
Semiconductors & Electronic Components	65,828	139,628	215,433	288,078	84,025	-	-	-	-	+18,197
Procurement	19,960	39,577	60,969	81,527	21,905	-	-	-	-	+1,945
Electronic Equipment	3,678	8,870	13,089	20,546	3,214	-	-	-	-	(464)
Environmental Energy	2,224	4,539	6,768	9,437	3,407	-	-	-	-	+1,183
Adjustment	-	-	-	-	-	-	-	-	-	-
<b>Sales</b>	<b>91,692</b>	<b>192,616</b>	<b>296,260</b>	<b>399,590</b>	<b>112,552</b>	-	-	-	-	<b>+20,860</b>
Semiconductors & Electronic Components	1,597	3,469	6,232	7,883	3,835	-	-	-	-	+2,238
Procurement	185	241	517	798	661	-	-	-	-	+476
Electronic Equipment	(206)	33	(42)	426	(376)	-	-	-	-	(170)
Environmental Energy	198	346	265	236	51	-	-	-	-	(147)
<b>Segment Profit</b>	<b>1,775</b>	<b>4,091</b>	<b>6,973</b>	<b>9,344</b>	<b>4,172</b>	-	-	-	-	<b>+2,397</b>
Adjustment	(467)	(673)	(910)	(1,756)	(104)	-	-	-	-	+363
<b>Operating Profit</b>	<b>1,307</b>	<b>3,417</b>	<b>6,062</b>	<b>7,588</b>	<b>4,067</b>	-	-	-	-	<b>+2,760</b>
Semiconductors & Electronic Components	2.4%	2.5%	2.9%	2.7%	4.6%	-	-	-	-	+2.1%
Procurement	0.9%	0.6%	0.8%	1.0%	3.0%	-	-	-	-	+2.1%
Electronic Equipment	(5.6%)	0.4%	(0.3%)	2.1%	(11.7%)	-	-	-	-	(6.1%)
Environmental Energy	8.9%	7.6%	3.9%	2.5%	1.5%	-	-	-	-	(7.4%)
<b>Segment Profit Margin</b>	<b>1.9%</b>	<b>2.1%</b>	<b>2.4%</b>	<b>2.3%</b>	<b>3.7%</b>	-	-	-	-	<b>+1.8%</b>
Adjustment	(0.5%)	(0.3%)	(0.3%)	(0.4%)	(0.1%)	-	-	-	-	+0.4%
<b>Operating Profit Margin</b>	<b>1.4%</b>	<b>1.8%</b>	<b>2.0%</b>	<b>1.9%</b>	<b>3.6%</b>	-	-	-	-	<b>+2.2%</b>

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2022	Q2 03/2022	Q3 03/2022	Q4 03/2022	Q1 03/2023	Q2 03/2023	Q3 03/2023	Q4 03/2023		
Semiconductors & Electronic Components	65,828	73,800	75,805	72,645	84,025	-	-	-	-	+18,197
Procurement	19,960	19,617	21,392	20,558	21,905	-	-	-	-	+1,945
Electronic Equipment	3,678	5,192	4,219	7,457	3,214	-	-	-	-	(464)
Environmental Energy	2,224	2,315	2,229	2,669	3,407	-	-	-	-	+1,183
Adjustment	-	-	-	-	-	-	-	-	-	-
<b>Sales</b>	<b>91,692</b>	<b>100,924</b>	<b>103,644</b>	<b>103,330</b>	<b>112,552</b>	-	-	-	-	<b>+20,860</b>
Semiconductors & Electronic Components	1,597	1,872	2,763	1,651	3,835	-	-	-	-	+2,238
Procurement	185	56	276	281	661	-	-	-	-	+476
Electronic Equipment	(206)	239	(75)	468	(376)	-	-	-	-	(170)
Environmental Energy	198	148	(81)	(29)	51	-	-	-	-	(147)
<b>Segment Profit</b>	<b>1,775</b>	<b>2,316</b>	<b>2,882</b>	<b>2,371</b>	<b>4,172</b>	-	-	-	-	<b>+2,397</b>
Adjustment	(467)	(206)	(237)	(846)	(104)	-	-	-	-	+363
<b>Operating Profit</b>	<b>1,307</b>	<b>2,110</b>	<b>2,645</b>	<b>1,526</b>	<b>4,067</b>	-	-	-	-	<b>+2,760</b>
Semiconductors & Electronic Components	2.4%	2.5%	3.6%	2.3%	4.6%	-	-	-	-	+2.1%
Procurement	0.9%	0.3%	1.3%	1.4%	3.0%	-	-	-	-	+2.1%
Electronic Equipment	(5.6%)	4.6%	(1.8%)	6.3%	(11.7%)	-	-	-	-	(6.1%)
Environmental Energy	8.9%	6.4%	(3.6%)	(1.1%)	1.5%	-	-	-	-	(7.4%)
<b>Segment Profit Margin</b>	<b>1.9%</b>	<b>2.3%</b>	<b>2.8%</b>	<b>2.3%</b>	<b>3.7%</b>	-	-	-	-	<b>+1.8%</b>
Adjustment	(0.5%)	(0.2%)	(0.2%)	(0.8%)	(0.1%)	-	-	-	-	+0.4%
<b>Operating Profit Margin</b>	<b>1.4%</b>	<b>2.1%</b>	<b>2.6%</b>	<b>1.5%</b>	<b>3.6%</b>	-	-	-	-	<b>+2.2%</b>

Source: Company Data, WRJ Calculation



## Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2022	Q2 03/2022	Q3 03/2022	Q4 03/2022	Q1 03/2023	Q2 03/2023	Q3 03/2023	Q4 03/2023		
Cash & Deposit	34,222	32,337	33,286	33,438	39,828	-	-	-	-	+5,606
Accounts Receivables	74,610	77,523	83,901	84,840	93,422	-	-	-	-	+18,812
Inventory	37,173	43,286	51,372	54,402	68,785	-	-	-	-	+31,612
Other	12,493	12,489	12,191	12,845	20,055	-	-	-	-	+7,562
<b>Current Assets</b>	<b>158,498</b>	<b>165,635</b>	<b>180,750</b>	<b>185,525</b>	<b>222,090</b>	-	-	-	-	<b>+63,592</b>
Tangible Assets	20,399	24,966	26,915	26,862	28,624	-	-	-	-	+8,225
Intangible Assets	11,296	11,063	10,806	11,362	11,628	-	-	-	-	+332
Investments & Other Assets	14,521	15,068	14,908	18,207	18,924	-	-	-	-	+4,403
<b>Fixed Assets</b>	<b>46,217</b>	<b>51,098</b>	<b>52,630</b>	<b>56,432</b>	<b>59,177</b>	-	-	-	-	<b>+12,960</b>
<b>Total Assets</b>	<b>204,715</b>	<b>216,734</b>	<b>233,380</b>	<b>241,958</b>	<b>281,268</b>	-	-	-	-	<b>+76,553</b>
Accounts Payables	52,068	57,543	57,159	51,581	58,881	-	-	-	-	+6,813
Short Term Debt	42,207	51,574	65,114	76,489	104,714	-	-	-	-	+62,507
Other	12,948	10,504	11,686	11,276	14,488	-	-	-	-	+1,540
<b>Current Liabilities</b>	<b>107,223</b>	<b>119,621</b>	<b>133,959</b>	<b>139,346</b>	<b>178,083</b>	-	-	-	-	<b>+70,860</b>
Long Term Debt	5,593	5,424	5,223	7,805	8,533	-	-	-	-	+2,940
Lease Debt	8,445	8,203	7,982	7,757	7,644	-	-	-	-	(801)
Other	5,739	5,540	5,354	5,392	5,433	-	-	-	-	(306)
<b>Fixed Liabilities</b>	<b>19,777</b>	<b>19,167</b>	<b>18,559</b>	<b>20,954</b>	<b>21,610</b>	-	-	-	-	<b>+1,833</b>
<b>Total Liabilities</b>	<b>127,001</b>	<b>138,789</b>	<b>152,519</b>	<b>160,301</b>	<b>199,694</b>	-	-	-	-	<b>+72,693</b>
<b>Shareholders' Equity</b>	<b>71,512</b>	<b>72,951</b>	<b>74,170</b>	<b>74,773</b>	<b>75,082</b>	-	-	-	-	<b>+3,570</b>
Other	6,202	4,993	6,691	6,884	6,492	-	-	-	-	+290
<b>Net Assets</b>	<b>77,714</b>	<b>77,944</b>	<b>80,861</b>	<b>81,657</b>	<b>81,574</b>	-	-	-	-	<b>+3,860</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>204,715</b>	<b>216,734</b>	<b>233,380</b>	<b>241,958</b>	<b>281,268</b>	-	-	-	-	<b>+76,553</b>
Equity Capital	74,097	75,381	76,878	77,586	77,499	-	-	-	-	+3,402
Interest Bearing Debt	47,800	56,998	70,337	84,294	113,247	-	-	-	-	+65,447
Net Debt	13,578	24,661	37,051	50,856	73,419	-	-	-	-	+59,841
Equity Ratio	36.2%	34.8%	32.9%	32.1%	27.6%	-	-	-	-	-
Net Debt Equity Ratio	18.3%	32.7%	48.2%	65.5%	94.7%	-	-	-	-	-
ROE (12 months)	8.1%	8.2%	2.9%	7.9%	7.5%	-	-	-	-	-
ROA (12 months)	3.0%	3.1%	3.3%	3.1%	3.7%	-	-	-	-	-
Days for Inventory Turnover	40	42	49	52	61	-	-	-	-	-
Quick Ratio	102%	92%	87%	85%	75%	-	-	-	-	-
Current Ratio	148%	138%	135%	133%	125%	-	-	-	-	-

Source: Company Data, WRJ Calculation

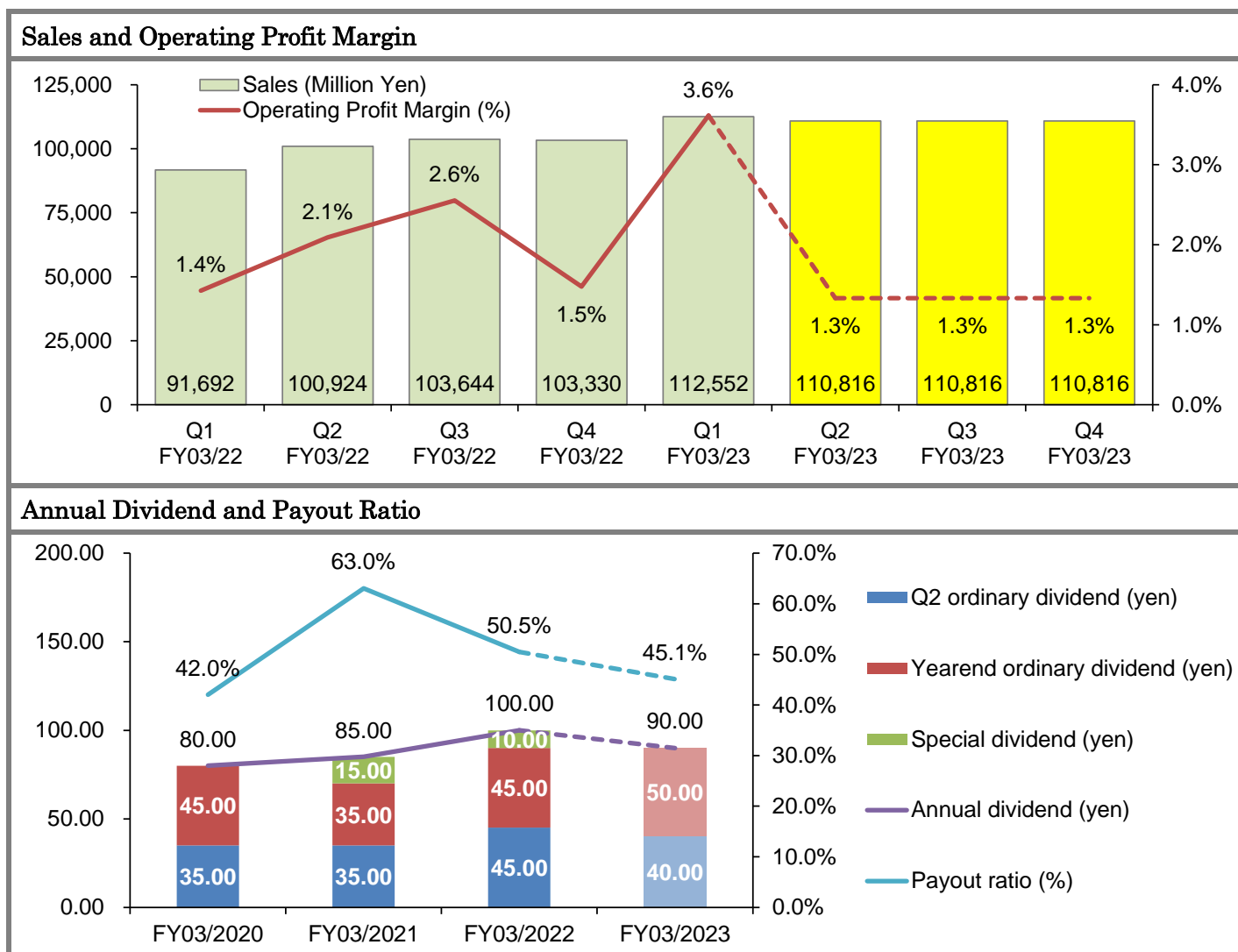
## Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 03/2022	Q1 to Q2 03/2022	Q1 to Q3 03/2022	Q1 to Q4 03/2022	Q1 03/2023	Q1 to Q2 03/2023	Q1 to Q3 03/2023	Q1 to Q4 03/2023		
Operating Cash Flow	-	(7,711)	-	(26,625)	-	-	-	-	-	-
Investing Cash Flow	-	(8,853)	-	(16,167)	-	-	-	-	-	-
<b>Operating CF and Investing CF</b>	<b>-</b>	<b>(16,564)</b>	<b>-</b>	<b>(42,792)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financing Cash Flow	-	8,583	-	34,488	-	-	-	-	-	-

Source: Company Data, WRJ Calculation

### FY03/2023 Company Forecasts

FY03/2023 Company forecasts (announced on 11 May 2022) have remained unchanged, going for prospective sales of ¥445,000m (up 11.4% YoY), operating profit of ¥8,500m (up 12.0%), recurring profit of ¥7,500m (up 11.8%) and profit attributable to owners of parent of ¥6,000m (up 0.7%), while operating profit margin of 1.9% (up 0.01% point). At the same time, Company forecasts have remained unchanged also for prospective annual dividend, going for ¥90.00 per share, implying payout ratio of 45.1%.



Source: Company Data, WRJ Calculation (Q2 / Q3 / Q4 FY03/2023: full-year Company forecasts after subtracting the actual results of Q1, pro rata)

The Company's shareholder return policy states that it will strive to continue implementing aggressive shareholder returns in line with performance, while paying respect to stability of financial position at the same time. In addition to returning earnings to shareholders through conventional ordinary dividend and special dividend, the Company has suggested that it is now looking to share buyback in the near future. At the same time, the Company will continue its management efforts to optimize the allocation of capital by considering the allocation of capital to strategic investments aimed at maximizing corporate value.

## FY03/2023 Company Forecasts

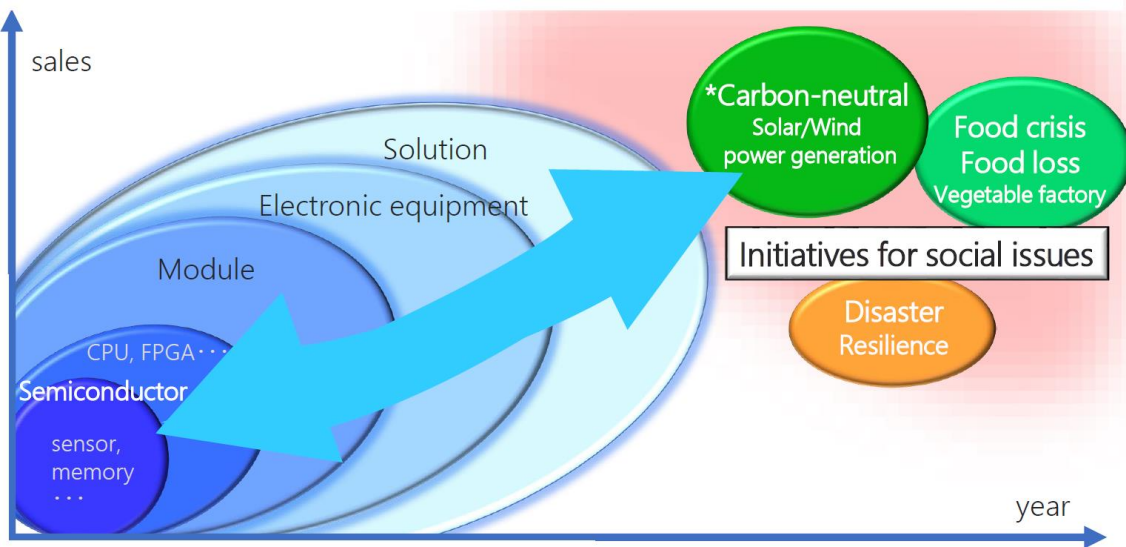
Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY03/2023CoE	11-May-22	Q4 Results	445,000	8,500	7,500	6,000
FY03/2023CoE	10-Aug-22	Q1 Results	445,000	8,500	7,500	6,000
		Amount of Gap	0	0	0	0
		Rate of Gap	0.0%	0.0%	0.0%	0.0%
FY03/2023CoE	11-May-22	Q4 Results	445,000	8,500	7,500	6,000
FY03/2023CoE	10-Aug-22	Q1 Results	445,000	8,500	7,500	6,000
		Amount of Gap	0	0	0	0
		Rate of Gap	0.0%	0.0%	0.0%	0.0%
Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY03/2023CoE	11-May-22	Q4 Results	-	-	-	-
Q1 to Q2 FY03/2023CoE	10-Aug-22	Q1 Results	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Q1 to Q2 FY03/2023CoE	11-May-22	Q4 Results	-	-	-	-
Q1 to Q2 FY03/2023CoE	10-Aug-22	Q1 Results	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY03/2023CoE	11-May-22	Q4 Results	-	-	-	-
Q3 to Q4 FY03/2023CoE	10-Aug-22	Q1 Results	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Q3 to Q4 FY03/2023CoE	11-May-22	Q4 Results	-	-	-	-
Q3 to Q4 FY03/2023CoE	10-Aug-22	Q1 Results	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-

Source: Company Data, WRJ Calculation

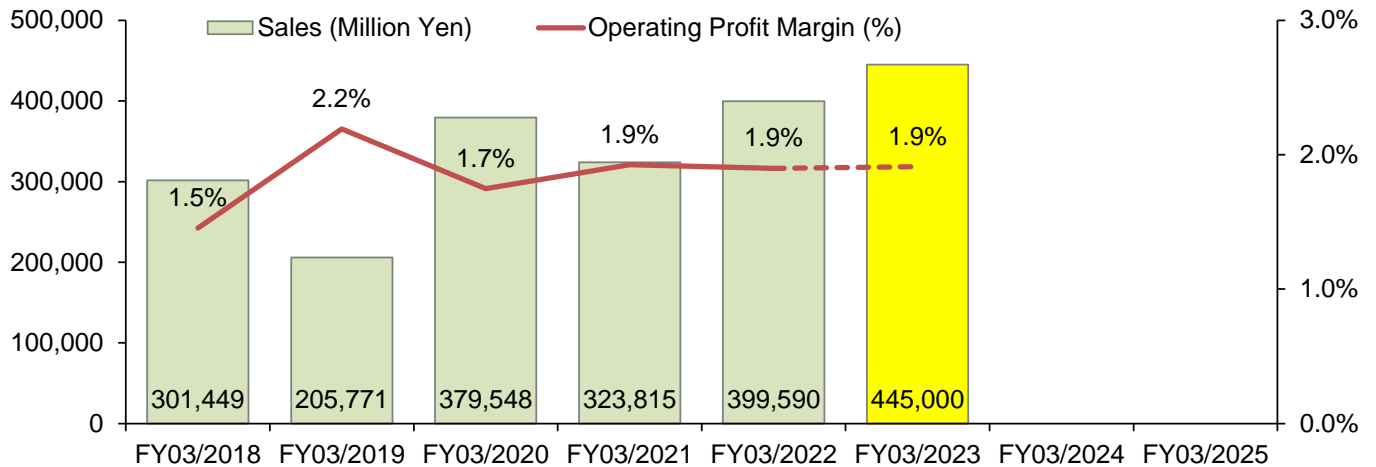
## Long-Term Prospects

Direction of the Restar Group Initiatives, implying the Company's outlook from a long-term perspective, reveals that it is trying to focus on its activities aimed at sustainable growth, while forming differentiating factor through this at the same time. In other words, it is advocated that it will solve issues around the world by electronics as The Electronics Value Platformer. Meanwhile, it has been revealed that the Company is currently in the process of strengthening its activities of investor relations, while undertaking the task of formulating midterm management plan at the same time. It has been also revealed that the Company will publicly launch the plan in the near future.

### Direction of the Restar Group's Initiatives



### Sales and Operating Profit Margin



Source: Company Data(\*Carbon-neutral: net zero carbon emission),WRJ Calculation

The Company apprehends the present, the past and the future of the Company's overall operations with the plane view in Direction of the Restar Group Initiatives above set forth. The core of the operations is of existing capability as a trading company mainly of semiconductors, while the Company plans to strengthen the capability to enhance creation of added value by means of focusing on modularization and provision of system solutions as well as trying to play an active role in the development of equipment itself. Meanwhile, the Company plans to put increased emphasis on addressing social issues for the future though all those operations, i.e., carbon-neutrality (net zero carbon emission), food crisis & loss and disaster resilience.

With respect to carbon-neutrality (net zero carbon emission), the Company will continue setting up new facilities of own mega-solar power stations, while trying hard to realize carbon-neutrality (net zero carbon emission) particularly for the domain of supply chain to which it belongs.

With respect to food crisis & loss, the Company is looking to a contribution from the operations of vegetable factory (production and sale of vegetables). The Company argues that it will continue accumulating knowledges and skills in the ongoing operations of producing and selling vegetables for the sake of selling the knowledges and skills as a system, which makes it enable to universally cope with food crisis & loss.

With respect to disaster resilience, the Company is eager to utilize diverse merchandise to deal in and knowledges related to them. For example, it has been revealed that the Company is ready for delivering electronic equipment, which is able to identify evacuation routes in the event of a disaster with AI image-recognition technology, to local governments nationwide. Through the operations on the Electronic Equipment side, where those of the mainstay are dealing in merchandises of a wide range of manufacturers based in Japan and overseas, represented by the Sony Group's equipment related to broadcasting and video production, the Company says that it has built deep ties with local governments nationwide in a variety of aspects. In fact, the Company points out that there is a growing need for disaster resilience amongst all those municipalities and the Company intends to proactively respond to this.

## 6.0 Financial Statements

### Income Statement

Income Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2018	03/2019	03/2020	03/2021	03/2022	03/2023	Net Chg.
<b>Sales</b>	<b>301,449</b>	<b>205,771</b>	<b>379,548</b>	<b>323,815</b>	<b>399,590</b>	<b>445,000</b>	<b>+45,410</b>
Cost of Sales	285,678	190,257	353,897	298,693	369,407	-	-
Gross Profit	15,771	15,513	25,651	25,122	30,183	-	-
SG&A Expenses	11,386	11,005	19,013	18,883	22,595	-	-
<b>Operating Profit</b>	<b>4,384</b>	<b>4,508</b>	<b>6,637</b>	<b>6,238</b>	<b>7,588</b>	<b>8,500</b>	<b>+912</b>
Non Operating Balance	(476)	(310)	2,388	(549)	(877)	(1,000)	(123)
<b>Recurring Profit</b>	<b>3,908</b>	<b>4,198</b>	<b>9,025</b>	<b>5,689</b>	<b>6,711</b>	<b>7,500</b>	<b>+789</b>
Extraordinary Balance	(642)	(1,252)	(1,007)	(1,355)	1,825	-	-
Profit before Income Taxes	3,266	2,946	8,018	4,334	8,536	-	-
Total Income Taxes	1,098	701	2,321	752	2,634	-	-
NP Belonging to Non-Controlling SHs	38	52	(25)	(472)	(54)	-	-
<b>Profit Attributable to Owners of Parent</b>	<b>2,129</b>	<b>2,192</b>	<b>5,722</b>	<b>4,054</b>	<b>5,957</b>	<b>6,000</b>	<b>+43</b>
Sales YoY	-	(31.7%)	+84.5%	(14.7%)	+23.4%	+11.4%	-
Operating Profit YoY	-	+2.8%	+47.2%	(6.0%)	+21.6%	+12.0%	-
Recurring Profit YoY	-	+7.4%	+115.0%	(37.0%)	+18.0%	+11.8%	-
Profit Attributable to Owners of Parent YoY	-	+3.0%	+161.0%	(29.1%)	+46.9%	+0.7%	-
Gross Profit Margin	5.2%	7.5%	6.8%	7.8%	7.6%	-	-
Sales to SG&A Expenses Ratio	3.8%	5.3%	5.0%	5.8%	5.7%	-	-
Operating Profit Margin	1.45%	2.19%	1.75%	1.93%	1.90%	1.91%	+0.01%
Recurring Profit Margin	1.3%	2.0%	2.4%	1.8%	1.7%	1.7%	+0.0%
Profit Attributable to Owners of Parent Margin	0.7%	1.1%	1.5%	1.3%	1.5%	1.3%	(0.1%)
Total Income Taxes / Profit before Income Taxes	33.6%	23.8%	28.9%	17.4%	30.9%	-	-

Source: Company Data, WRJ Calculation

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### Segmented Information

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2018	03/2019	03/2020	03/2021	03/2022	03/2023	Net Chg.
Semiconductors & Electronic Components	-	185,287	273,530	223,896	288,078	303,500	+15,422
Procurement	-	-	73,376	71,101	81,527	102,000	+20,473
Electronic Equipment	-	20,483	21,753	19,444	20,546	27,800	+7,254
Environmental Energy	-	-	10,883	9,370	9,437	12,600	+3,163
Adjustment	-	-	4	2	-	(900)	(900)
<b>Sales</b>	<b>301,449</b>	<b>205,771</b>	<b>379,548</b>	<b>323,815</b>	<b>399,590</b>	<b>445,000</b>	<b>+45,410</b>
Semiconductors & Electronic Components	-	3,955	4,406	6,719	7,883	7,010	(873)
Procurement	-	-	386	(127)	798	320	(478)
Electronic Equipment	-	739	1,060	818	426	1,670	+1,244
Environmental Energy	-	-	580	(344)	236	660	+424
<b>Segment Profit</b>	<b>-</b>	<b>4,694</b>	<b>6,434</b>	<b>7,065</b>	<b>9,344</b>	<b>9,660</b>	<b>+316</b>
Adjustment	-	(186)	203	(826)	(1,756)	(1,160)	+596
<b>Operating Profit</b>	<b>4,384</b>	<b>4,508</b>	<b>6,637</b>	<b>6,238</b>	<b>7,588</b>	<b>8,500</b>	<b>+912</b>
Semiconductors & Electronic Components	-	2.1%	1.6%	3.0%	2.7%	2.3%	(0.4%)
Procurement	-	-	0.5%	(0.2%)	1.0%	0.3%	(0.7%)
Electronic Equipment	-	3.6%	4.9%	4.2%	2.1%	6.0%	+3.9%
Environmental Energy	-	-	5.3%	(3.7%)	2.5%	5.2%	+2.7%
<b>Segment Profit Margin</b>	<b>-</b>	<b>2.3%</b>	<b>1.7%</b>	<b>2.2%</b>	<b>2.3%</b>	<b>2.2%</b>	<b>(0.2%)</b>
Adjustment	-	(0.1%)	0.1%	(0.3%)	(0.4%)	(0.3%)	+0.2%
<b>Operating Profit Margin</b>	<b>1.5%</b>	<b>2.2%</b>	<b>1.7%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>1.9%</b>	<b>+0.01%</b>

Source: Company Data, WRJ Calculation

## Balance Sheet

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2018	03/2019	03/2020	03/2021	03/2022	03/2023	Net Chg.
Cash & Deposit	18,162	13,511	21,195	40,203	33,438	-	-
Accounts Receivables	62,165	50,583	71,777	65,606	84,840	-	-
Inventory	22,459	20,983	35,571	29,942	54,402	-	-
Other	4,640	3,212	5,394	10,382	12,845	-	-
<b>Current Assets</b>	<b>107,426</b>	<b>88,289</b>	<b>133,937</b>	<b>146,133</b>	<b>185,525</b>	-	-
Tangible Assets	3,100	3,219	20,442	19,404	26,862	-	-
Intangible Assets	263	416	13,329	11,560	11,362	-	-
Investments & Other Assets	5,353	5,434	29,343	13,288	18,207	-	-
<b>Fixed Assets</b>	<b>8,717</b>	<b>9,071</b>	<b>63,116</b>	<b>44,252</b>	<b>56,432</b>	-	-
<b>Total Assets</b>	<b>116,144</b>	<b>97,361</b>	<b>197,053</b>	<b>190,385</b>	<b>241,958</b>	-	-
Accounts Payables	32,554	25,130	42,826	44,878	51,581	-	-
Short Term Debt	37,818	28,095	50,494	39,262	76,489	-	-
Other	4,966	4,653	10,112	9,955	11,276	-	-
<b>Current Liabilities</b>	<b>75,338</b>	<b>57,878</b>	<b>103,432</b>	<b>94,095</b>	<b>139,346</b>	-	-
Long Term Debt	-	-	4,765	5,602	7,805	-	-
Lease Debt	199	221	9,603	8,696	7,757	-	-
Other	837	403	5,484	5,733	5,392	-	-
<b>Fixed Liabilities</b>	<b>1,036</b>	<b>624</b>	<b>19,852</b>	<b>20,031</b>	<b>20,954</b>	-	-
<b>Total Liabilities</b>	<b>76,375</b>	<b>58,502</b>	<b>123,285</b>	<b>114,127</b>	<b>160,301</b>	-	-
<b>Shareholders' Equity</b>	<b>34,918</b>	<b>35,657</b>	<b>68,779</b>	<b>70,476</b>	<b>74,773</b>	-	-
Other	4,850	3,201	4,989	5,782	6,884	-	-
<b>Net Assets</b>	<b>39,768</b>	<b>38,858</b>	<b>73,768</b>	<b>76,258</b>	<b>81,657</b>	-	-
<b>Total Liabilities &amp; Net Assets</b>	<b>116,144</b>	<b>97,361</b>	<b>197,053</b>	<b>190,385</b>	<b>241,958</b>	-	-
Equity Capital	39,337	38,397	70,384	73,401	77,586	-	-
Interest Bearing Debt	37,818	28,095	55,259	44,864	84,294	-	-
Net Debt	19,656	14,584	34,064	4,661	50,856	-	-
Equity Ratio	33.9%	39.4%	35.7%	38.6%	32.1%	-	-
Net Debt Equity Ratio	50.0%	38.0%	48.4%	6.4%	65.5%	-	-
ROE (12 months)	5.6%	5.6%	8.3%	5.6%	7.9%	-	-
ROA (12 months)	3.3%	3.9%	4.8%	2.9%	3.1%	-	-
Days for Inventory Turnover	29	40	37	37	54	-	-
Quick Ratio	107%	111%	90%	112%	85%	-	-
Current Ratio	143%	153%	129%	155%	133%	-	-

Source: Company Data, WRJ Calculation

## Cash Flow Statement

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2018	03/2019	03/2020	03/2021	03/2022	03/2023	Net Chg.
Operating Cash Flow	(3,793)	10,067	16,591	20,133	(26,625)	-	-
Investing Cash Flow	(176)	(1,199)	(16,386)	13,542	(16,167)	-	-
<b>Operating CF and Investing CF</b>	<b>(3,969)</b>	<b>8,868</b>	<b>205</b>	<b>33,675</b>	<b>(42,792)</b>	-	-
Financing Cash Flow	2,247	(13,133)	2,683	(15,337)	34,488	-	-

Source: Company Data, WRJ Calculation

## Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2018	03/2019	03/2020	03/2021	03/2022	03/2023	Net Chg.
No. of Shares FY End (thousand shares)	15,700	15,700	30,073	30,073	30,073	-	-
Earnings (thousand shares)	15,696	15,692	30,064	30,063	30,068	-	-
Treasury Shares FY End (thousand shares)	3	4	4	4	4	-	-
Earnings per Share	135.64	139.69	190.33	134.85	198.12	199.55	-
Earnings per Share (fully diluted)	-	-	-	-	197.31	-	-
Book Value per Share	2,506.08	2,446.29	2,340.78	2,441.16	2,580.33	-	-
Dividend per Share	60.00	100.00	80.00	85.00	100.00	90.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	03/2018	03/2019	03/2020	03/2021	03/2022	03/2023	Net Chg.
Share Split Factor	1	1	1	1	1	1	-
Earnings per Share	135.64	139.69	190.33	134.85	198.12	199.55	-
Book Value per Share	2,506.08	2,446.29	2,340.78	2,441.16	2,580.33	-	-
Dividend per Share	60.00	100.00	80.00	85.00	100.00	90.00	-
Payout Ratio	44.2%	71.6%	42.0%	63.0%	50.5%	45.1%	-

Source: Company Data, WRJ Calculation

### Disclaimer

Information here is a summary of "IR Information" of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. "IR Information" of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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