## Walden Research Japan

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# **KAGA ELECTRONICS (8154)**

Consolidated Fiscal Year		Sales	Operating	Recurring	Profit Attributable to	EPS	DPS	BPS	
(Million Yen)		Jales	Profit	Profit	Owners of Parent	(Yen)	(Yen)	(Yen)	
FY03/2021		422,365	11,467	11,241	11,399	415.07	80.00	3,311.24	
FY03/2022		495,827	20,915	21,456	15,401	576.46	120.00	4,026.22	
FY03/2023CoE		510,000	21,200	21,200	14,500	552.42	150.00	-	
FY03/2022	YoY	17.4%	82.4%	90.9%	35.1%	-	-	-	
FY03/2023CoE	YoY	2.9%	1.4%	(1.2%)	(5.9%)	-	-	-	

Source: Company Data, WRJ Calculation

## 1.0 News Release (2 June 2022)

#### **Earnings Highest Ever**

On 26 May 2022, KAGA ELECTRONICS, a major trading company of electronic components, held its on-line results briefing for FY03/2022. It has been revealed that record-high earnings continue to be renewed. While record-high sales were renewed due mainly to firm sales in the mainstay segment of Electronic Components, record highs were renewed in operating profit and recurring profit for the third consecutive year and profit attributable to owners of parent for the second consecutive year. On top of having steadily captured a recovery in demand accompanying a recovery in manufacturing activities in Japan and overseas, the Company says that it saw a contribution as much as \$4,100m at the operating level stemming from "spot sales". Nevertheless, FY03/2023 Company forecasts assume that this will be no more than \$1,000m. Meanwhile, the Company suggests that it will revise performance target of Midterm Management Plan 2024 in light of the actual performance for Q1 to Q2 FY03/2023. It appears that FY03/2023 Company forecasts are based on a conservative assumption, given uncertainty associated with prospective contribution from "spot sales" at the moment, while the Company suggests that it will be able to confirm a certain direction at this stage, seemingly planning to consider the extent of upgrade in performance target for FY03/2025, the final year of the plan, whose results are supposed to be timely disclosed. Meanwhile, the latest IR materials have been uploaded at the section of <u>Earnings Presentations</u> with the Company website.

IR Representative: IRs & PRs Office (81-(0)3-5657-0106/webmaster@taxan.co.jp)

## 2.0 Company Profile

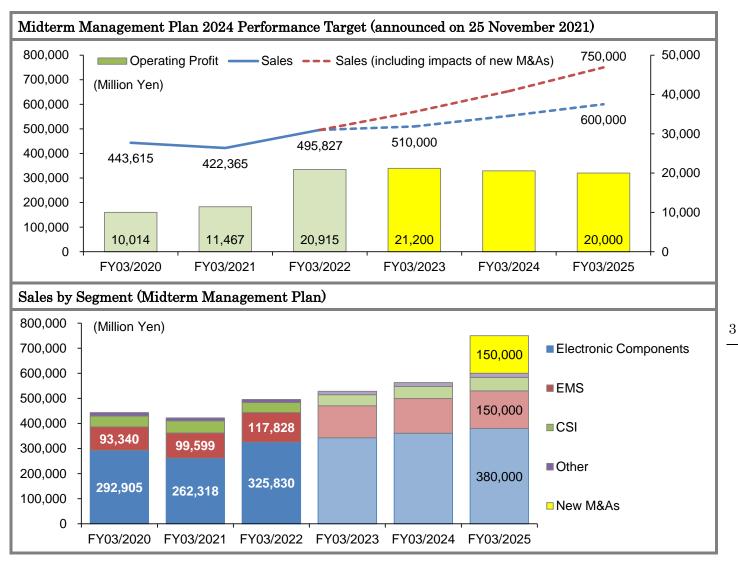
	Everything We Do is for Our Customers
Company Name	KAGA ELECTRONICS CO.,LTD.
	Company Website
	Company Website         IR Information    KAGA ELECTRONICS CO., LTD.
	Share price (Japanese)
Established	12 September 1968
Listing	4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 8154)
	1 September 1997: Tokyo Stock Exchange 1st section
	23 December 1986: Tokyo Stock Exchange 2nd section
Capital	¥12,133m (as of the end of March 2022)
No. of Shares	28,702,118 shares, including 2,454,162 treasury shares (as of the end of March 2022)
Main Features	• Enlargement of added value creations with a long-term growth of EMS
	• Focus on industrial machinery, healthcare, etc. on top of the mainstay
	automobiles by sector
	• Pursuit of the scale of business and PMI with consistent M&As
Segments	(Segments of Midterm Management Plan)
	I . Electronic Components (sale of general electronic components and
	semiconductors)
	${\rm I\hspace{-1.4mm}I}$ . EMS (providing finished products and semi-finished products with extensive
	solutions for design, development and manufacture)
	III. CSI (sale of PCs, PC peripherals, consumer electronics, etc.)
	IV. Other
Representatives	Founder & CEO: Isao Tsukamoto
	President & COO: Ryoichi Kado
Shareholders	The Master Trust Bank of Japan, T. 11.98%, SANKYO Co. 9.22%, OKOZE Co.
	7.01%, Custody Bank of Japan, T. 5.76%, ESOP 4.65% (as of the end of March 2022,
	but for treasury shares)
Head Office	Chiyoda-ku, Tokyo, JAPAN
No. of Personnel	Consolidated: 7,959, Parent: 555 (as of the end of March 2022)

Source: Company Data

## **3.0 Recent Trading and Prospects**

#### FY03/2022

In FY03/2022, sales came in at ¥495,827m (up 17.4% YoY), operating profit ¥20,915m (up 82.4%), recurring profit ¥21,456m (up 90.9%) and profit attributable to owners of parent ¥15,401m (up 35.1%), while operating profit margin 4.2% (up 1.5% points). The latest Company forecasts (announced on 3 February 2022) were exceeded by ¥3,415m (19.5%) for operating profit.



Source: Company Data, WRJ Calculation

Although the Company did not see a reappearance for gain of ¥7,963m on negative goodwill recorded for FY03/2021 at the extraordinary level, profit attributable to owners of parent increased nicely as recurring profit surged. The parent KAGA ELECTRONICS saw solid performance, while subsidiaries acquired through M&As, i.e., KAGA FEI and EXEL, saw outstanding improvement in operating profit margin. According to the Company, this is due mainly to favorably progressing post-merger integration (PMI) in both of them or ongoing integration of management, operations and consciousness after the mergers.

Meanwhile, amid extending tightening of supply-demand balance for semiconductors and electronic components, the Company is leveraging its strengths as an independent trading company to promote procurement from a wider range of suppliers than in the past, including so-called distribution inventory merchandises, for the sake of responding to the needs of existing and new customers, which generates "spot sales" or those of unusual commercial distribution. It appears that this has expanded faster than expected toward the yearend, having resulted in the aforementioned overshoot at the operating level. Nevertheless, FY03/2023 Company forecasts assume that the contribution of "spot sales" will shrink in line with easing of the said supply-demand balance.

#### FY03/2023 Company Forecasts

FY03/2023 Company forecasts (announced on 12 May 2022) are going for prospective sales of \$510,000m (up 2.9% YoY), operating profit of \$21,200m (up 1.4%), recurring profit of \$21,200m (down 1.2%) and profit attributable to owners of parent of \$14,500m (down 5.9%), while operating profit margin of 4.2% (unchanged from the previous year) and ROE of 13.0% (down 2.7% points). At the same time, Company forecasts are going for prospective annual dividend of \$150.00 per share (ordinary dividend of \$140.00 and commemorative dividend of \$10.00 for the 55th anniversary of the Company's foundation), implying payout ratio of 27.2%. Compared with \$120.00, implying payout ratio of 20.8%, for FY03/2022, the Company is planning to raise the payout ratio and dividend by \$30.00 per share.

#### Long-Term Sustainability Target

On 25 November 2021, the Company announced Long-Term Sustainability Target, while it has reiterated this in the results briefing this time too. Under the corporate philosophy of "Everything We Do Is for Our Customers," the Company aims to support "realization of sustainable society" and "sustainable group growth" at the same time. For ESG, i.e., environment, society and governance, the Company is going for "100% exposure to green power", "diversity and management for human resources" and "revamping of CG code & rebuilding of governance framework to respond to TSE realignment", respectively, as the initiatives. At the same time, the Company plans to improve its corporate value by means of making progress with all those initiatives.

## 4.0 Financial Statements

### Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	03/2021	03/2021	03/2021	03/2021	03/2022	03/2022	03/2022	03/2022	Net Chg.
Sales	84,130	188,859	294,266	422,365	105,949	223,009	352,684	495,827	+73,462
Cost of Sales	74,132	167,218	260,619	374,428	92,398	195,875	309,923	435,280	+60,852
Gross Profit	9,997	21,641	33,646	47,936	13,550	27,133	42,761	60,547	+12,611
SG&A Expenses	8,341	17,206	26,129	36,469	9,098	18,832	28,102	39,632	+3,163
Operating Profit	1,656	4,434	7,517	11,467	4,452	8,300	14,658	20,915	+9,448
Non Operating Balance	(123)	(96)	(287)	(226)	114	152	228	541	+767
Recurring Profit	1,533	4,338	7,230	11,241	4,566	8,452	14,886	21,456	+10,215
Extraordinary Balance	7,577	7,788	7,612	3,231	(437)	(223)	(180)	(108)	(3,339)
Profit before Income Taxes	9,110	12,126	14,842	14,472	4,129	8,229	14,706	21,348	+6,876
Total Income Taxes	470	1,424	2,191	3,156	1,220	2,469	4,039	5,678	+2,522
NP Belonging to Non-Controlling SHs	(2)	(70)	(77)	(84)	36	135	252	268	+352
Profit Attributable to Owners of Parent	8,643	10,772	12,728	11,399	2,872	5,624	10,414	15,401	+4,002
Sales YoY	(23.2%)	(18.1%)	(13.1%)	(4.8%)	+25.9%	+18.1%	+19.9%	+17.4%	-
Operating Profit YoY	(10.5%)	(15.4%)	(2.8%)	+14.5%	+168.8%	+87.2%	+95.0%	+82.4%	-
Recurring Profit YoY	(25.0%)	(21.8%)	(9.3%)	+10.9%	+197.8%	+94.8%	+105.9%	+90.9%	-
Profit Attributable to Owners of Parent YoY	+540.0%	+207.5%	+158.5%	+94.8%	(66.6%)	(47.8%)	(18.2%)	+35.1%	-
Gross Profit Margin	11.9%	11.5%	11.4%	11.3%	12.8%	12.2%	12.1%	12.2%	+0.9%
Sales to SG&A Expenses Ratio	9.9%	9.1%	8.9%	8.6%	8.6%	8.4%	8.0%	8.0%	(0.6%)
Operating Profit Margin	2.0%	2.3%	2.6%	2.7%	4.2%	3.7%	4.2%	4.2%	+1.5%
Recurring Profit Margin	1.8%	2.3%	2.5%	2.7%	4.3%	3.8%	4.2%	4.3%	+1.7%
Profit Attributable to Owners of Parent Margin	10.3%	5.7%	4.3%	2.7%	2.7%	2.5%	3.0%	3.1%	+0.4%
Total Income Taxes / Profit before Income Taxes	5.2%	11.7%	14.8%	21.8%	29.5%	30.0%	27.5%	26.6%	+4.8%
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	03/2021	03/2021	02/2024	03/2021	03/2022	03/2022	03/2022	02/2022	Not Cha
		03/2021	03/2021	03/2021			00/2022	03/2022	Net Chg.
Sales	84,130	104,729	105,407	128,099	105,949	117,060	129,675	143,143	+15,044
Sales Cost of Sales								_	-
	84,130	104,729	105,407	128,099	105,949	117,060	129,675	143,143	+15,044
Cost of Sales	<b>84,130</b> 74,132	<b>104,729</b> 93,086	<b>105,407</b> 93,401	<b>128,099</b> 113,809	<b>105,949</b> 92,398	<b>117,060</b> 103,477	<b>129,675</b> 114,048	<b>143,143</b> 125,357	<b>+15,044</b> +11,548
Cost of Sales Gross Profit	<b>84,130</b> 74,132 9,997	<b>104,729</b> 93,086 11,644	<b>105,407</b> 93,401 12,005	<b>128,099</b> 113,809 14,290	<b>105,949</b> 92,398 13,550	<b>117,060</b> 103,477 13,583	<b>129,675</b> 114,048 15,628	<b>143,143</b> 125,357 17,786	+15,044 +11,548 +3,496
Cost of Sales Gross Profit SG&A Expenses	<b>84,130</b> 74,132 9,997 8,341	<b>104,729</b> 93,086 11,644 8,865	<b>105,407</b> 93,401 12,005 8,923	<b>128,099</b> 113,809 14,290 10,340	<b>105,949</b> 92,398 13,550 9,098	<b>117,060</b> 103,477 13,583 9,734	<b>129,675</b> 114,048 15,628 9,270	<b>143,143</b> 125,357 17,786 11,530	+15,044 +11,548 +3,496 +1,190
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b>	<b>84,130</b> 74,132 9,997 8,341 <b>1,656</b>	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b>	<b>105,407</b> 93,401 12,005 8,923 <b>3,083</b>	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b>	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b>	<b>117,060</b> 103,477 13,583 9,734 <b>3,848</b>	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b>	<b>143,143</b> 125,357 17,786 11,530 <b>6,257</b>	+15,044 +11,548 +3,496 +1,190 +2,307
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance	<b>84,130</b> 74,132 9,997 8,341 <b>1,656</b> (123)	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b> 27	<b>105,407</b> 93,401 12,005 8,923 <b>3,083</b> (191)	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114	<b>117,060</b> 103,477 13,583 9,734 <b>3,848</b> 38	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b> 76	<b>143,143</b> 125,357 17,786 11,530 <b>6,257</b> 313	+15,044 +11,548 +3,496 +1,190 +2,307 +252
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b>	84,130 74,132 9,997 8,341 1,656 (123) 1,533	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b> 27 <b>2,805</b>	<b>105,407</b> 93,401 12,005 8,923 <b>3,083</b> (191) <b>2,892</b>	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b>	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114 <b>4,566</b>	<b>117,060</b> 103,477 13,583 9,734 <b>3,848</b> 38 <b>3,886</b>	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b> 76 <b>6,434</b>	143,143 125,357 17,786 11,530 6,257 313 6,570	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b> 27 <b>2,805</b> 211	<b>105,407</b> 93,401 12,005 8,923 <b>3,083</b> (191) <b>2,892</b> (176)	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381)	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114 <b>4,566</b> (437)	<b>117,060</b> 103,477 13,583 9,734 <b>3,848</b> 38 <b>3,886</b> 214	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b> 76 <b>6,434</b> 43	<b>143,143</b> 125,357 17,786 11,530 <b>6,257</b> 313 <b>6,570</b> 72	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b> 27 <b>2,805</b> 211 3,016	<b>105,407</b> 93,401 12,005 8,923 <b>3,083</b> (191) <b>2,892</b> (176) 2,716	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370)	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114 <b>4,566</b> (437) 4,129	117,060 103,477 13,583 9,734 3,848 3,886 214 4,100	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b> 76 <b>6,434</b> 43 6,477	<b>143,143</b> 125,357 17,786 11,530 <b>6,257</b> 313 <b>6,570</b> 72 6,642	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b> 27 <b>2,805</b> 211 3,016 954 (68) <b>2,129</b>	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (7) <b>(1,329)</b>	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114 <b>4,566</b> (437) 4,129 1,220 36 <b>2,872</b>	117,060 103,477 13,583 9,734 3,848 3,886 214 4,100 1,249 99 2,752	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b> 76 <b>6,434</b> 43 6,477 1,570 117 <b>4,790</b>	<b>143,143</b> 125,357 17,786 11,530 <b>6,257</b> 313 <b>6,570</b> 72 6,642 1,639	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2)	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b> 27 <b>2,805</b> 211 3,016 954 (68)	<b>105,407</b> 93,401 12,005 8,923 <b>3,083</b> (191) <b>2,892</b> (176) 2,716 767 (7)	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (7)	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114 <b>4,566</b> (437) 4,129 1,220 36	<b>117,060</b> 103,477 13,583 9,734 <b>3,848</b> 388 <b>3,886</b> 214 4,100 1,249 99	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b> 76 <b>6,434</b> 43 6,477 1,570 1,17	<b>143,143</b> 125,357 17,786 11,530 <b>6,257</b> 313 <b>6,570</b> 72 6,642 1,639 16	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23
Cost of Sales Gross Profit SG&A Expenses Operating Profit Non Operating Balance Recurring Profit Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs Profit Attributable to Owners of Parent	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b> 27 <b>2,805</b> 211 3,016 954 (68) <b>2,129</b>	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (7) <b>(1,329)</b>	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114 <b>4,566</b> (437) 4,129 1,220 36 <b>2,872</b>	117,060 103,477 13,583 9,734 3,848 3,886 214 4,100 1,249 99 2,752	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b> 76 <b>6,434</b> 43 6,477 1,570 117 <b>4,790</b>	<b>143,143</b> 125,357 17,786 11,530 <b>6,257</b> 313 <b>6,570</b> 72 6,642 1,639 16 <b>4,987</b>	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs <b>Profit Attributable to Owners of Parent</b> Sales YoY	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643 (23.2%)	<b>104,729</b> 93,086 11,644 8,865 <b>2,778</b> 27 <b>2,805</b> 211 3,016 954 (68) <b>2,129</b> (13.5%)	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956 (2.6%)	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (7) <b>(1,329)</b> +22.2%	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114 <b>4,566</b> (437) 4,129 1,220 36 <b>2,872</b> +25.9%	117,060 103,477 13,583 9,734 3,848 38 3,886 214 4,100 1,249 99 2,752 +11.8%	129,675 114,048 15,628 9,270 6,358 76 6,434 43 6,477 1,570 117 4,790 +23.0%	143,143 125,357 17,786 11,530 6,257 313 6,570 72 6,642 1,639 16 4,987 +11.7%	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs <b>Profit Attributable to Owners of Parent</b> Sales YoY Operating Profit YoY	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643 (23.2%) (10.5%) (25.0%) +540.0%	104,729 93,086 11,644 8,865 2,778 27 2,805 211 3,016 954 (68) 2,129 (13.5%) (18.0%)	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956 (2.6%) +23.7%	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (77) <b>(1,329)</b> +22.2% +73.1% +85.5%	105,949 92,398 13,550 9,098 4,452 114 4,566 (437) 4,129 1,220 36 2,872 +25.9% +168.8%	117,060 103,477 13,583 9,734 3,848 38 3,886 214 4,100 1,249 99 2,752 +11.8% +38.5%	129,675 114,048 15,628 9,270 6,358 76 6,434 43 6,477 1,570 117 4,790 +23.0% +106.2%	143,143 125,357 17,786 11,530 6,257 313 6,570 72 6,642 1,639 16 4,987 +11.7% +58.4% +63.8%	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23 +6,316
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs <b>Profit Attributable to Owners of Parent</b> Sales YoY Operating Profit YoY Recurring Profit YoY	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643 (23.2%) (10.5%) (25.0%) +540.0%	104,729 93,086 11,644 8,865 2,778 27 2,805 211 3,016 954 (68) 2,129 (13.5%) (13.5%) (18.0%) (19.9%) (1.1%)	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956 (2.6%) +23.7% +19.1%	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (7) <b>(1,329)</b> +22.2% +73.1%	105,949 92,398 13,550 9,098 4,452 114 4,566 (437) 4,129 1,220 36 2,872 +25.9% +168.8% +197.8% (66.6%) 12.8%	117,060 103,477 13,583 9,734 3,848 38 3,886 214 4,100 1,249 99 2,752 +11.8% +38.5% +38.5% +29.3% 11.6%	<b>129,675</b> 114,048 15,628 9,270 <b>6,358</b> 76 <b>6,434</b> 43 6,477 1,570 117 <b>4,790</b> +23.0% +106.2% +122.5%	143,143 125,357 17,786 11,530 6,257 313 6,570 72 6,642 1,639 16 4,987 +11.7% +58.4%	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23 +6,316
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs <b>Profit Attributable to Owners of Parent</b> Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643 (23.2%) (10.5%) (25.0%) +540.0%	104,729 93,086 11,644 8,865 2,778 27 2,805 211 3,016 954 (68) 2,129 (13.5%) (18.0%) (19.9%) (1.1%)	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956 (2.6%) +23.7% +19.1% +37.6%	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (77) <b>(1,329)</b> +22.2% +73.1% +85.5%	<b>105,949</b> 92,398 13,550 9,098 <b>4,452</b> 114 <b>4,566</b> (437) 4,129 1,220 36 <b>2,872</b> +25.9% +168.8% +197.8% (66.6%)	117,060 103,477 13,583 9,734 3,848 38 3,886 214 4,100 1,249 99 2,752 +11.8% +38.5% +38.5% +29.3%	129,675 114,048 15,628 9,270 6,358 76 6,434 43 6,477 1,570 117 4,790 +23.0% +106.2% +122.5% +144.9%	143,143 125,357 17,786 11,530 6,257 313 6,570 72 6,642 1,639 16 4,987 +11.7% +58.4% +63.8%	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23 +6,316
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs <b>Profit Attributable to Owners of Parent</b> Sales YoY Operating Profit YoY Recurring Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643 (23.2%) (10.5%) (25.0%) +540.0%	104,729 93,086 11,644 8,865 2,778 27 2,805 211 3,016 954 (68) 2,129 (13.5%) (13.5%) (18.0%) (19.9%) (1.1%)	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956 (2.6%) +23.7% +19.1% +37.6% 11.4%	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (7) <b>(1,329)</b> +22.2% +73.1% +85.5% - 11.2%	105,949 92,398 13,550 9,098 4,452 114 4,566 (437) 4,129 1,220 36 2,872 +25.9% +168.8% +197.8% (66.6%) 12.8%	117,060 103,477 13,583 9,734 3,848 38 3,886 214 4,100 1,249 99 2,752 +11.8% +38.5% +38.5% +29.3% 11.6%	129,675 114,048 15,628 9,270 6,358 76 6,434 43 6,477 1,570 117 4,790 +23.0% +106.2% +122.5% +144.9% 12.1%	143,143 125,357 17,786 11,530 6,257 313 6,570 72 6,642 1,639 16 4,987 +11.7% +58.4% +63.8% -	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23 +6,316 - - - - - +1.3% (0.0%)
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs <b>Profit Attributable to Owners of Parent</b> Sales YoY Operating Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin Sales to SG&A Expenses Ratio Operating Profit Margin Recurring Profit Margin	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643 (23.2%) (10.5%) (25.0%) +540.0% 11.9% 9,9% 2.0% 1.8%	104,729 93,086 11,644 8,865 2,778 27 2,805 211 3,016 954 (68) 2,129 (13.5%) (18.0%) (19.9%) (11.1%) 8.5% 2,7% 2,7% 2,7%	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956 (2.6%) +23.7% +19.1% +37.6% 11.4% 8.5% 2.9% 2.7%	<b>128,099</b> 113,809 14,290 10,340 <b>3,950</b> 61 <b>4,011</b> (4,381) (370) 965 (7) <b>(1,329)</b> +22.2% +73.1% +85.5% - 11.2% 8.1%	105,949 92,398 13,550 9,098 4,452 114 4,566 (437) 4,129 1,220 36 2,872 +25.9% +168.8% +197.8% (66.6%) 12.8% 8.6% 4.2% 4.3%	117,060 103,477 13,583 9,734 3,848 38 3,886 214 4,100 1,249 99 2,752 +11.8% +38.5% +38.5% +38.5% +38.5% +38.5% 11.6% 8.3% 3.3% 3.3%	129,675 114,048 15,628 9,270 6,358 76 6,434 43 6,477 1,570 117 4,790 +23.0% +106.2% +122.5% +144.9% 12.1% 7.1% 4.9% 5.0%	143,143 125,357 17,786 11,530 6,257 313 6,570 72 6,642 1,639 16 4,987 +11.7% +58.4% +63.8% - 12.4% 8.1%	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23 +6,316 - - - - - - - - - - - - - - - - - - -
Cost of Sales Gross Profit SG&A Expenses <b>Operating Profit</b> Non Operating Balance <b>Recurring Profit</b> Extraordinary Balance Profit before Income Taxes Total Income Taxes NP Belonging to Non-Controlling SHs <b>Profit Attributable to Owners of Parent</b> Sales YoY Operating Profit YoY Recurring Profit YoY Recurring Profit YoY Profit Attributable to Owners of Parent YoY Gross Profit Margin Sales to SG&A Expenses Ratio Operating Profit Margin	84,130 74,132 9,997 8,341 1,656 (123) 1,533 7,577 9,110 470 (2) 8,643 (23.2%) (10.5%) (25.0%) +540.0% 11.9% 9.9% 2.0%	104,729 93,086 11,644 8,865 2,778 27 2,805 211 3,016 954 (68) 2,129 (13.5%) (18.0%) (18.0%) (19.9%) (1.1%) 11.1% 8.5% 2.7%	105,407 93,401 12,005 8,923 3,083 (191) 2,892 (176) 2,716 767 (7) 1,956 (2.6%) +23.7% +19.1% +37.6% 11.4% 8.5% 2.9%	128,099 113,809 14,290 10,340 3,950 61 4,011 (4,381) (370) 965 (7) (1,329) +22.2% +73.1% +85.5% - -	105,949 92,398 13,550 9,098 4,452 114 4,566 (437) 4,129 1,220 36 2,872 +25.9% +168.8% +197.8% (66.6%) 12.8% 8.6% 4.2%	117,060 103,477 13,583 9,734 3,848 38 3,886 214 4,100 1,249 99 2,752 +11.8% +38.5% +38.5% +38.5% +29.3% 11.6% 8.3% 3.3%	129,675 114,048 15,628 9,270 6,358 76 6,434 43 6,477 1,570 117 4,790 +23.0% +106.2% +122.5% +144.9% 12.1% 7.1% 4.9%	143,143 125,357 17,786 11,530 6,257 313 6,570 72 6,642 1,639 16 4,987 +11.7% +58.4% +63.8% - -	+15,044 +11,548 +3,496 +1,190 +2,307 +252 +2,559 +4,453 +7,012 +674 +23 +6,316 - - - - - - - - - - - - - - - - - - -

Source: Company Data, WRJ Calculation

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### Segments of Midterm Management Plan (Cumulative / Quarterly)

Sagments of Midnagement Plan         Cons.Act         C				J			•••••	,,		
Million Yen)         03/2021         03/2021         03/2022         03/2023         63/26         03/26         <	Segments of Midterm Management Plan	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Electronic Components         49,740         117,287         181,913         262,318         66,124         144,790         232,889         325,830         +43,512           EMS         19,820         42,940         70,216         99,599         28,334         53,453         84,595         117,828         +18,223           CSI         12,537         22,319         3,3937         48,389         10,636         18,713         26,301         52,684         495,827         +77,452         +48,239           Driner         2,031         5,438         8,199         12,057         2,854         405,827         +77,452         +48,53           Electronic Components         44         851         1,657         2,961         1,775         3,543         7,727         11,034         +8,133           EMS         1,083         2,285         3,890         5,539         2,000         3,222         5,463         7,362         (1397)         0,441         14,129         2,055         (1397)         0,414         64         129         2,055         (138,42         4,417         8,244         14,580         2,019         +9,448           Electronic Components         0,1%         0,5%         5,5%         5,5% </th <th></th> <th>Q1</th> <th>Q1 to Q2</th> <th>Q1 to Q3</th> <th>Q1 to Q4</th> <th>Q1</th> <th>Q1 to Q2</th> <th>Q1 to Q3</th> <th>Q1 to Q4</th> <th>YoY</th>		Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
ENS         19,820         42,940         70,216         90,999         28,334         53,453         84,505         117,828         (8,77)           CSI         12,537         23,192         33,337         48,599         12,057         2,854         60,203         52,844         60,270         52,864         495,827         +73,862           Sales         84,130         188,859         224,266         422,365         17,75         32,409         77,72         11,04         +8,133           EMS         1,603         2,285         3,890         5,539         2,000         3,242         5,463         7,77         11,60         +8,133           CSI         683         1,160         1,773         2,442         568         910         1,215         2,069         49,441           CSI         683         7,160         11,369         4,417         8,244         1,359         4,477         8,243         1,375         3,345         3,45         4,845           Electronic Components         0,1%         0,7%         1,1%         4,452         8,306         4,56         4,66         4,276           CSI         0,5%         5,5%         5,5%         5,5%         5,5% <th>(Million Yen)</th> <th>03/2021</th> <th>03/2021</th> <th>03/2021</th> <th>03/2021</th> <th>03/2022</th> <th>03/2022</th> <th>03/2022</th> <th>03/2022</th> <th>Net Chg.</th>	(Million Yen)	03/2021	03/2021	03/2021	03/2021	03/2022	03/2022	03/2022	03/2022	Net Chg.
CSI         12.537         23.192         33.937         48.389         10.636         18.713         26.301         39.616         (8.773)           Other         2.031         5.438         8,199         12.057         2.846         6.052         8.318         12.657         473.682           Electronic Components         444         881         1.657         2.966         17.75         3.948         7.772         11.044         +8.133           EMS         1.063         2.265         3.800         5.58         9.10         1.1216         2.056         (397)           Other         (89)         88         126         3.97         14         64         129         225         (139)           Segment Profit         16.21         4.364         7.577         11.467         4.528         8.300         14.658         20.915         9.9421           Electronic Components         1.656         4.749         11.467         4.552         8.300         14.658         20.915         9.9481           Electronic Components         1.656         5.5%         5.5%         5.5%         5.5%         5.5%         6.5%         6.5%         6.5%         6.5%         6.5%         6.5%<	Electronic Components	49,740	117,287	181,913	262,318	66,124	144,790	232,869	325,830	+63,512
Other         2.031         5.438         8,199         12.057         2.854         6.052         8,919         12.552         +495           Sales         84,130         188,89         242,266         422,365         10,77         2.814         77,348         77,72         11.04         45,133           ENS         1.083         2.285         3.890         5.539         2.080         3.322         5.463         7.506         1.416         7.206         7.376         1.216         2.087         7.306         7.307           CSI         5.83         1.160         1.753         2.482         7.68         9.00         1.216         2.057         9.937           Segment Profit         1.625         4.434         7.517         11.467         4.452         8.300         14.655         20.915         +9.480           Electronic Components         0.1%         0.7%         0.9%         1.1%         2.42%         3.37%         4.1%         4.2%         4.2%           CSI         4.7%         5.5%         5.5%         5.5%         7.5%         7.5%         7.5%         7.5%         7.5%         7.5%         7.5%         7.5%         7.5%         7.5%         7.5%	EMS	19,820	42,940	70,216	99,599	26,334	53,453	84,595	117,828	+18,229
Sales         94,130         188,859         294,266         422,365         105,490         223,009         352,884         495,827         +14,132           Electronic Componentis         44         851         1,657         2,961         1,775         3,948         7,772         11,004         +18,133           EMS         1,063         2,265         3,809         5,539         2,060         3,322         5,638         1,160         1,161         2,085         1,180         2,070         3,222         5,643         7,360         +1,817           CSI         583         1,160         1,753         2,482         15,89         4,417         6,824         11,280         2,070         9,9448           Electronic Components         1,165         4,434         7,517         11,467         4,455         2,095         4,1458         20,915         +94,448           Electronic Components         0,1%         0,7%         5,5%         5,5%         5,5%         5,5%         5,5%         6,5%         4,2%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0%         4,0% <td< td=""><td>CSI</td><td>12,537</td><td>23,192</td><td>33,937</td><td>48,389</td><td>10,636</td><td>18,713</td><td>26,301</td><td>39,616</td><td>(8,773)</td></td<>	CSI	12,537	23,192	33,937	48,389	10,636	18,713	26,301	39,616	(8,773)
Electonic Components         44         851         1,657         2,961         1,775         3,948         7,772         11,094         +8,133           ENS         1,083         2,265         3,890         5,539         2,060         3,322         5,463         7,366         +1,817           CSI         563         1,160         1,753         2,442         568         910         1,216         2,065         (397)           Other         (89)         88         126         387         14         64         129         255         (132)           Segment Profit         1,656         4,344         7,517         11,467         4,442         8,200         14,658         20,915         +9,4421           Electonic Components         0,1%         0,7%         0,9%         1,1%         2,7%         2,3%         2,5%         6,5%         5,5%	Other	2,031	5,438	8,199	12,057	2,854	6,052	8,918	12,552	+495
EMS         1,083         2,285         3,890         5,539         2,060         3,322         5,463         7,368         +1,817           CSI         583         1,160         1,773         2,482         568         910         1,216         2,095         (397)           Other         (89)         88         1126         11,369         4,417         8,244         14,580         20,790         +9,421           Elimination         35         70         91         98         35         56         78         125         +427           Operating Profit         1,666         4,434         7,757         11,1%         2,7%         2,3%         3,3%         4,4%         4,2%           EMS         5,5%         5,5%         5,5%         5,5%         5,5%         5,3%         4,1%         4,2%         6,5%         6,2%         4,07%           CSI         4,47%         5,0%         5,5%         5,3%         5,3%         4,3%         4,4%         5,5%         5,3%         4,3%         4,4%         4,2%         4,15%           Ellectronic Components         0,0%         0,0%         0,0%         0,0%         0,0%         0,0%         0,0%	Sales	84,130	188,859	294,266	422,365	105,949	223,009	352,684	495,827	+73,462
CSI         583         1,160         1,753         2,482         568         910         1,216         2,005           Other         (89)         88         126         337         14         644         129         2255         (132)           Segment Profit         1,665         4,334         7,426         11,399         4,417         8,244         14,580         20,970         +9,421           Elemination         35         70         91         98         35         56         7.8         2.7%         3.3%         3.4%         +2.3%           Electronic Components         0.1%         0.7%         0.9%         1.1%         2.7%         2.3%         3.3%         3.4%         +2.3%           CSI         4.7%         5.5%         5.5%         5.5%         5.3%         4.9%         4.6%         5.3%         4.1%         2.0%         1.1%         2.1% </td <td>Electronic Components</td> <td>44</td> <td>851</td> <td>1,657</td> <td>2,961</td> <td>1,775</td> <td>3,948</td> <td>7,772</td> <td>11,094</td> <td>+8,133</td>	Electronic Components	44	851	1,657	2,961	1,775	3,948	7,772	11,094	+8,133
Other(89)881263871464129225(13)Segment Profit1,6214,3647,42611,3694,4178,24414,50020,7909,9,421Operating Profit1,6564,4347,51711,4674,4528,30014,65820,915+9,448Electronic Components0.1%0.7%0.9%1.1%2.7%2.7%3.3%3.4%+2.3%CSI4.7%5.5%5.5%5.5%5.6%7.8%6.2%6.5%6.5%6.5%6.2%6.5%6.5%6.2%1.1%1.4%2.0%(1.2%)Segment Profit1.9%2.3%2.5%5.5%5.3%4.9%4.6%5.3%4.0%(1.2%)Germent Profit1.9%2.3%2.5%2.7%4.2%3.7%4.2%4.4%4.6%(1.5%)Germent Profit0.0%0	EMS	1,083	2,265	3,890	5,539	2,060	3,322	5,463	7,356	+1,817
Segment Profit         1,921         4,364         7,426         11,369         4,417         8,244         14,580         20,790         +9,421           Elimination         35         70         91         98         35         56         78         125         +27           Operating Profit         1,656         4,434         7,517         11,467         4,452         8,300         14,658         20,915         9,448           Electronic Components         0.1%         0.7%         0.9%         1.1%         2.7%         2.7%         3.3%         3.4%         +2.3%           CSI         4.7%         5.0%         5.5%         5.1%         5.3%         4.9%         4.6%         5.3%         1.1%         2.7%         4.2%         3.7%         4.1%         4.2%         1.1%         2.7%         3.2%         0.0%	CSI	583	1,160	1,753	2,482	568	910	1,216	2,085	(397)
Elimination         35         70         91         98         35         56         78         125         +27           Operating Profit         1,656         4.434         7,517         11,467         4.452         8,300         14,558         20,915         +9,448           Electronic Components         0.1%         0.7%         0.9%         1.1%         2.7%         3.3%         3.4%         +2.3%           EMS         5.5%         5.5%         5.6%         7.8%         6.2%         6.5%         6.2%         0.0%         0.0%         0.0%         6.2%         6.5%         6.2%         6.5%         6.2%         6.5%         6.2%         0.0%         <	Other	(89)	88	126	387	14	64	129	255	(132)
Operating Profit         1,656         4,444         7,517         11,467         4,452         8,300         14,658         20,915         +9,442           Electronic Components         0.1%         0.7%         0.9%         1.1%         2.7%         2.7%         3.3%         3.4%         4-2.3%           EMS         5.5%         5.5%         5.5%         5.5%         5.5%         6.2%         6.5%         6.0%         0.0% </td <td>Segment Profit</td> <td>1,621</td> <td>4,364</td> <td>7,426</td> <td>11,369</td> <td>4,417</td> <td>8,244</td> <td>14,580</td> <td>20,790</td> <td>+9,421</td>	Segment Profit	1,621	4,364	7,426	11,369	4,417	8,244	14,580	20,790	+9,421
Electronic Components         0.1%         0.7%         0.9%         1.1%         2.7%         2.7%         3.3%         3.4%         +2.3%           EMS         5.5%         5.5%         5.6%         7.8%         6.2%         6.5%         6.2%         4.07%           CSI         4.7%         5.0%         5.2%         5.1%         5.3%         4.9%         4.6%         5.3%         4.0%         1.2%         2.0%         1.2%         2.3%         2.5%         2.7%         4.2%         3.7%         4.1%         4.2%         +1.5%           Segment Profit         1.9%         2.3%         2.6%         2.7%         4.2%         3.7%         4.1%         4.2%         +1.5%           Segments of Midterm Management Plan         Cons.Act         Cons.Act <td>Elimination</td> <td>35</td> <td>70</td> <td>91</td> <td>98</td> <td>35</td> <td>56</td> <td>78</td> <td>125</td> <td>+27</td>	Elimination	35	70	91	98	35	56	78	125	+27
EMS         5.5%         5.5%         5.6%         7.8%         6.2%         6.5%         6.2%           CSI         4.7%         5.0%         5.2%         5.1%         5.3%         4.9%         4.6%         5.3%         0.1%           Other         (4.4%)         1.6%         5.2%         5.7%         2.7%         4.2%         3.7%         4.1%         4.2%         3.7%         4.1%         4.1%         4.15%           Segment Profit         1.9%         2.3%         2.6%         2.7%         4.2%         3.7%         4.2%	Operating Profit	1,656	4,434	7,517	11,467	4,452	8,300	14,658	20,915	+9,448
CSI         4.7%         5.0%         5.2%         5.1%         5.3%         4.9%         4.6%         5.3%           Other         (4.4%)         1.6%         1.5%         3.2%         0.5%         1.1%         1.4%         2.0%         (1.2%)           Segment Profit         1.9%         2.3%         2.5%         2.7%         4.2%         3.7%         4.1%         4.2%         0.0%           Operating Profit Margin         2.0%         2.3%         2.6%         2.7%         4.2%         3.7%         4.2%         <	Electronic Components	0.1%	0.7%	0.9%	1.1%	2.7%	2.7%	3.3%	3.4%	+2.3%
Other $(4.4\%)$ $1.6\%$ $1.5\%$ $3.2\%$ $0.5\%$ $1.1\%$ $1.4\%$ $2.0\%$ $(1.2\%)$ Segment Profit $1.9\%$ $2.3\%$ $2.5\%$ $2.7\%$ $4.2\%$ $3.7\%$ $4.1\%$ $4.2\%$ $4.1\%$ Elimination $0.0\%$	EMS	5.5%	5.3%	5.5%	5.6%	7.8%	6.2%	6.5%	6.2%	+0.7%
Segment Profit         1.9%         2.3%         2.5%         2.7%         4.2%         3.7%         4.1%         4.2%           Elimination         0.0% <td>CSI</td> <td>4.7%</td> <td>5.0%</td> <td>5.2%</td> <td>5.1%</td> <td>5.3%</td> <td>4.9%</td> <td>4.6%</td> <td>5.3%</td> <td>+0.1%</td>	CSI	4.7%	5.0%	5.2%	5.1%	5.3%	4.9%	4.6%	5.3%	+0.1%
Elimination         0.0%	Other	(4.4%)	1.6%	1.5%	3.2%	0.5%	1.1%	1.4%	2.0%	(1.2%)
Operating Profit Margin         2.0%         2.3%         2.6%         2.7%         4.2%         3.7%         4.2%         4.2%         4.15%           Segments of Midterm Management Plan         Cons.Act	Segment Profit	1.9%	2.3%	2.5%	2.7%	4.2%	3.7%	4.1%	4.2%	+1.5%
Segments of Midterm Management Plan         Cons.Act	Elimination	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	+0.0%
Q1Q2Q3Q4Q1Q2Q3Q4Y0Y(Million Yen)03/202103/202103/202103/202203/202203/202203/2022Net Chg.Electronic Components49,74067,54764,62580,40566,12478,66588,07992,961+12,556EMS19,82023,12027,27529,38326,33427,11831,14233,233+3,850CSI12,53710,65410,74514,45210,6368,0777,58713,315(1,137)Other2,0313,4062,7603,8582,8543,1982,8653,634(224)Sales84,130104,729105,407128,099105,949117,059129,675143,143+15,044Electronic Components448078051,3041,7752,1723,8243,322+2,018EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6212,7783,9623,9434,4173,8276,3366,210+2,267Elictronic Components0,1%1,72%1,8%3,9504,4523,8486,3586,257+2,307Electronic Components0,1%1,6562,7783	Operating Profit Margin	2.0%	2.3%	2.6%	2.7%	4.2%	3.7%	4.2%	4.2%	+1.5%
(Million Yen)03/202103/202103/202103/202203/202203/202203/202203/2022Net Chg.Electronic Components49,74067,54764,62580,40566,12478,66588,07992,961+12,556EMS19,82023,12027,27529,38326,33427,11831,14233,233+3,850CSI12,53710,65410,74514,45210,6368,0777,58713,315(1,137)Other2,0313,4062,7603,8582,8543,1982,8653,634(224)Sales84,130104,729105,407128,099105,949117,059129,675143,143+15,044Electronic Components448078051,3041,7752,1723,8243,322+2,018EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6562,7783,0623,9434,4173,8276,3366,270+2,267Elimination353521735212247+40Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0,1%<	Segments of Midterm Management Plan	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	
Electronic Components49,74067,54764,62580,40566,12478,66588,07992,961+12,556EMS19,82023,12027,27529,38326,33427,11831,14233,233+3,850CSI12,53710,65410,74514,45210,6368,0777,58713,315(1,137)Other2,0313,4062,7603,8582,8543,1982,8653,634(224)Sales84,130104,729105,407128,099105,949117,059129,675143,143+15,044Electronic Components448078051,3041,7752,1723,8243,322+2,018EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2.7%2.8%4.3%3.6%+2.0%Elimination353521735212247+40Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
EMS19,82023,12027,27529,38326,33427,11831,14233,233+3,850CSI12,53710,65410,74514,45210,6368,0777,58713,315(1,137)Other2,0313,4062,7603,8582,8543,1982,8653,634(224)Sales84,130104,729105,407128,099105,949117,059129,675143,143+15,044Electronic Components448078051,3041,7752,1723,8243,322+2,018EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6212,7433,0623,9434,4173,8276,3366,210+2,267Elimination353521735212247+40Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2,7%2.8%4.3%3.6%+2.0%EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI0.1%1.2%1.2%1.6%2.7%2.8%4.3%<	(Million Yen)	03/2021	03/2021	03/2021	03/2021	03/2022	03/2022	03/2022	03/2022	Net Chg.
CSI12,53710,65410,74514,45210,6368,0777,58713,315(1,137)Other2,0313,4062,7603,8582,8543,1982,8653,634(224)Sales84,130104,729105,407128,099105,949117,059129,675143,143+15,044Electronic Components448078051,3041,7752,1723,8243,322+2,018EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6212,7783,0823,9504,4523,8486,3586,257+2,267Elimination353521735212247+40Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2.7%2.8%4.3%3.6%+2.0%EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI4.7%5.5%5.0%5.3%4.2%4.0%6.5%+1.5%Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%	Electronic Components	49,740	67,547	64,625	80,405	66,124	78,665	88,079	92,961	+12,556
Other2,0313,4062,7603,8582,8543,1982,8653,634(224)Sales84,130104,729105,407128,099105,949117,059129,675143,143+15,044Electronic Components448078051,3041,7752,1723,8243,322+2,018EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6212,7733,0623,9334,4173,8276,3366,210+2,267Elimination353521735212247+40Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2.7%2.8%4.3%3.6%+2.0%EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI0.1%5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%)Operating Profit0.6%5.6%5.0%5.3%4.2%4.0%6.5%4.1%Operating Profit0.1%5.2%1.4%6.8%0.5%1.5%2.2%3.5% <th< td=""><td>EMS</td><td>19,820</td><td>23,120</td><td>27,275</td><td>29,383</td><td>26,334</td><td>27,118</td><td>31,142</td><td>33,233</td><td>+3,850</td></th<>	EMS	19,820	23,120	27,275	29,383	26,334	27,118	31,142	33,233	+3,850
Sales84,130104,729105,407128,099105,949117,059129,675143,143+15,044Electronic Components448078051,3041,7752,1723,8243,322+2,018EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6212,7433,0623,9434,4173,8276,3366,210+2,267Elimination353521735212247+40Operating Profit1,6562,7783,0623,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2.7%2.8%4.3%3.6%+2.0%EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI4.7%5.4%5.5%5.0%5.3%4.2%4.0%6.5%+1.5%Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%)Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%)Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%) </td <td>CSI</td> <td>12,537</td> <td>10,654</td> <td>10,745</td> <td>14,452</td> <td>10,636</td> <td>8,077</td> <td>7,587</td> <td>13,315</td> <td>(1,137)</td>	CSI	12,537	10,654	10,745	14,452	10,636	8,077	7,587	13,315	(1,137)
Electronic Components448078051,3041,7752,1723,8243,322+2,018EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6212,7433,0623,9434,4173,8276,3366,210+2,267Elimination353521735212247+40Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2.7%2.8%4.3%3.6%+2.0%EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI4.7%5.4%5.5%5.0%5.3%4.2%4.0%6.5%+1.5%Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%)Elimination0.0%0.0%0.0%0.0%0.0%0.0%0.0%0.0%0.0%0.0%	Other	2,031	3,406	2,760	3,858	2,854	3,198	2,865	3,634	(224)
EMS1,0831,1811,6251,6492,0601,2622,1401,893+244CSI583577592729568342305869+140Other(89)17738261144964126(135)Segment Profit1,6212,7433,0623,9434,4173,8276,3366,210+2,267Elimination353521735212247+40Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2.7%2.8%4.3%3.6%+2.0%EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI4.7%5.4%5.5%5.0%5.3%4.2%4.0%6.5%+1.5%Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%)Other0.0%0.0%0.0%0.0%0.0%0.0%0.0%0.0%+0.0%	Sales	84,130	104,729	105,407	128,099	105,949	117,059	129,675	143,143	+15,044
CSI         583         577         592         729         568         342         305         869         +140           Other         (89)         177         38         261         14         49         64         126         (135)           Segment Profit         1,621         2,743         3,062         3,943         4,417         3,827         6,336         6,210         +2,267           Elimination         35         35         21         7         35         21         22         47         +40           Operating Profit         1,656         2,778         3,062         3,950         4,452         3,848         6,358         6,257         +2,307           Electronic Components         0.1%         1.2%         1.6%         2.7%         2.8%         4.3%         3.6%         +2.0%           EMS         5.5%         5.1%         6.0%         5.6%         7.8%         4.7%         6.9%         5.7%         +0.1%           CSI         4.7%         5.4%         5.5%         5.0%         5.3%         4.2%         4.0%         6.5%         +1.5%           Other         (4.4%)         5.2%         1.4%         6.8%	Electronic Components	44	807	805	1,304	1,775	2,172	3,824	3,322	+2,018
Other         (89)         177         38         261         14         49         64         126         (135)           Segment Profit         1,621         2,743         3,062         3,943         4,417         3,827         6,336         6,210         +2,267           Elimination         35         35         21         7         35         21         22         47         +40           Operating Profit         1,656         2,778         3,082         3,950         4,452         3,848         6,358         6,257         +2,307           Electronic Components         0.1%         1.2%         1.2%         1.6%         2.7%         2.8%         4.3%         3.6%         +2.0%           EMS         5.5%         5.1%         6.0%         5.6%         7.8%         4.7%         6.9%         5.7%         +0.1%           CSI         4.7%         5.4%         5.5%         5.0%         5.3%         4.2%         4.0%         6.5%         +1.5%           Other         (4.4%)         5.2%         1.4%         6.8%         0.5%         1.5%         2.2%         3.5%         (3.3%)           Elimination         0.0%         0.0%	EMS	1,083	1,181	1,625	1,649	2,060	1,262	2,140	1,893	+244
Segment Profit         1,621         2,743         3,062         3,943         4,417         3,827         6,336         6,210         +2,267           Elimination         35         35         21         7         35         21         22         47         +4,00           Operating Profit         1,656         2,778         3,062         3,950         4,452         3,848         6,358         6,257         +2,307           Electronic Components         0.1%         1.2%         1.6%         2.7%         2.8%         4.3%         3.66%         +2.0%           EMS         5.5%         5.1%         6.0%         5.6%         7.8%         4.7%         6.9%         5.7%         +0.1%           CSI         4.7%         5.4%         5.5%         5.0%         5.3%         4.2%         4.0%         6.5%         +1.5%           Other         (4.4%)         5.2%         1.4%         6.8%         0.5%         1.5%         2.2%         3.5%         (3.3%)           Elimination         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         4.0%	CSI	583	577	592	729	568	342	305	869	+140
Elimination353521735212247+40Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2.7%2.8%4.3%3.6%+2.0%EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI4.7%5.4%5.5%5.0%5.3%4.2%4.0%6.5%+1.5%Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%)Elimination0.0%0.0%0.0%0.0%0.0%0.0%0.0%0.0%+0.0%	Other	(89)	177	38	261	14	49	64	126	(135)
Operating Profit1,6562,7783,0823,9504,4523,8486,3586,257+2,307Electronic Components0.1%1.2%1.2%1.6%2.7%2.8%4.3%3.6%+2.0%EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI4.7%5.4%5.5%5.0%5.3%4.2%4.0%6.5%+1.5%Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%)Elimination0.0%0.0%0.0%0.0%0.0%0.0%0.0%+0.0%	Segment Profit	1,621	2,743	3,062	3,943	4,417	3,827	6,336	6,210	+2,267
Electronic Components         0.1%         1.2%         1.2%         1.6%         2.7%         2.8%         4.3%         3.6%         +2.0%           EMS         5.5%         5.1%         6.0%         5.6%         7.8%         4.7%         6.9%         5.7%         +0.1%           CSI         4.7%         5.4%         5.5%         5.0%         5.3%         4.2%         4.0%         6.5%         +1.5%           Other         (4.4%)         5.2%         1.4%         6.8%         0.5%         1.5%         2.2%         3.5%         (3.3%)           Elimination         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%	Elimination	35	35	21	7	35	21	22	47	+40
EMS5.5%5.1%6.0%5.6%7.8%4.7%6.9%5.7%+0.1%CSI4.7%5.4%5.5%5.0%5.3%4.2%4.0%6.5%+1.5%Other(4.4%)5.2%1.4%6.8%0.5%1.5%2.2%3.5%(3.3%)Elimination0.0%0.0%0.0%0.0%0.0%0.0%0.0%+0.0%	Operating Profit	1,656	2,778	3,082	3,950	4,452	3,848	6,358	6,257	+2,307
CSI         4.7%         5.4%         5.5%         5.0%         5.3%         4.2%         4.0%         6.5%         +1.5%           Other         (4.4%)         5.2%         1.4%         6.8%         0.5%         1.5%         2.2%         3.5%         (3.3%)           Elimination         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         0.0%         +0.0%	Electronic Components	0.1%	1.2%	1.2%	1.6%	2.7%	2.8%	4.3%	3.6%	+2.0%
Other         (4.4%)         5.2%         1.4%         6.8%         0.5%         1.5%         2.2%         3.5%         (3.3%)           Elimination         0.0%	EMS	5.5%	5.1%	6.0%	5.6%	7.8%	4.7%	6.9%	5.7%	+0.1%
Elimination 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0	LIND	0.070								
			5.4%	5.5%	5.0%	5.3%	4.2%	4.0%	6.5%	+1.5%
Operating Profit Margin 2.0% 2.7% 2.9% 3.1% 4.2% 3.3% 4.9% 4.4% +1.3%	CSI	4.7%								
	CSI Other	4.7% (4.4%)	5.2%	1.4%	6.8%	0.5%	1.5%	2.2%	3.5%	(3.3%)

Source: Company Data, WRJ Calculation

### **Cash Flow Statement (Cumulative)**

Cash Flow Statement	Cons.Act								
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	YoY
(Million Yen)	03/2021	03/2021	03/2021	03/2021	03/2022	03/2022	03/2022	03/2022	Net Chg.
Operating Cash Flow	-	(7,017)	-	9,999	-	(2,013)	-	(1,554)	(11,553)
Investing Cash Flow	-	(2,996)	-	(2,453)	-	(3,699)	-	(6,772)	(4,319)
Operating CF and Investing CF	-	(10,013)	-	7,546	-	(5,712)	-	(8,326)	(15,872)
Financing Cash Flow	-	(855)	-	(6,851)	-	529	-	1,155	+8,006

Source: Company Data, WRJ Calculation

#### **Balance Sheet (Quarterly)**

Balance Sheet	Cons.Act								
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY
(Million Yen)	03/2021	03/2021	03/2021	03/2021	03/2022	03/2022	03/2022	03/2022	Net Chq.
Cash & Deposit	36,404	35,554	46,334	45,636	40,239	40,191	40,914	41,051	(4,585)
Accounts Receivables	84,590	91,863	93,272	108,394	92,012	96,651	108,531	120,947	+12,553
Inventory	47,816	37,728	38,882	37,947	49,985	51,168	61,395	62,606	+24,659
Other	9,355	7,231	8,802	8,202	9,598	8,235	12,735	9,380	+1,178
Current Assets	178,165	172,376	187,290	200,179	191,834	196,245	223,575	233,984	+33,805
Tangible Assets	18,494	18,915	19,263	18,225	18,229	17,927	18,199	19,393	+1,168
Intangible Assets	2,326	2,660	2,674	2,609	3,053	3,048	2,949	3,163	+554
Investments & Other Assets	15,112	15,957	15,105	15,990	15,701	16,239	16,477	15,598	(392)
Fixed Assets	35,932	37,532	37,043	36,825	36,984	37,215	37,626	38,155	+1,330
Total Assets	214,097	209,908	224,333	237,004	228,819	233,461	261,202	272,139	+35,135
Accounts Payables	61,852	54,605	64,599	79,854	70,874	70,486	83,311	86,493	+6,639
Short Term Debt	15,081	17,041	23,212	10,800	12,760	17,001	25,143	23,858	+13,058
Other	14,813	13,985	14,238	17,863	14,705	16,153	17,628	22,567	+4,704
Current Liabilities	91,746	85,631	102,049	108,517	98,339	103,640	126,082	132,918	+24,401
Long Term Debt	20,512	20,179	20,169	25,166	25,158	25,150	25,143	25,136	(30)
Other	7,494	7,935	8,276	8,258	8,240	8,052	8,258	8,285	+27
Fixed Liabilities	28,006	28,114	28,445	33,424	33,398	33,202	33,401	33,421	(3)
Total Liabilities	119,753	113,745	130,494	141,942	131,738	136,843	159,483	166,339	+24,397
Shareholders' Equity	86,642	88,770	90,391	89,045	90,551	89,629	93,249	98,732	+9,687
Other	7,702	7,393	3,447	6,017	6,530	6,989	8,470	7,068	+1,051
Net Assets	94,344	96,163	93,838	95,062	97,081	96,618	101,719	105,800	+10,738
Total Liabilities & Net Assets	214,097	209,908	224,333	237,004	228,819	233,461	261,202	272,139	+35,135
Equity Capital	86,385	88,271	89,845	90,967	92,942	92,379	97,323	105,680	+14,713
Interest Bearing Debt	35,593	37,220	43,381	35,966	37,918	42,151	50,286	48,994	+13,028
Net Debt	(811)	1,666	(2,953)	(9,670)	(2,321)	1,960	9,372	7,943	+17,613
Equity Ratio	40.3%	42.1%	40.0%	38.4%	40.6%	39.6%	37.3%	38.8%	-
Net Debt Equity Ratio	(0.9%)	1.9%	(3.3%)	(10.6%)	(2.5%)	2.1%	9.6%	7.5%	-
ROE (12 months)	16.2%	15.8%	16.2%	13.5%	6.3%	6.9%	9.7%	15.7%	-
ROA (12 months)	4.5%	4.2%	4.3%	5.1%	6.4%	6.9%	7.8%	8.4%	-
Days for Inventory Turnover	59	37	38	30	49	45	49	46	-
Quick Ratio	132%	149%	137%	142%	134%	132%	119%	122%	-
Current Ratio	194%	201%	184%	184%	195%	189%	177%	176%	-

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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