

(Translation)

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

May 8, 2025

Listed Company Name: Oki Electric Industry Co., Ltd.

Securities Code: 6703

Stock Exchange Listing: Tokyo Stock Exchange

URL: <https://www.oki.com/>

Representative: Takahiro Mori, Representative Director and Chief Executive Officer

Contact: Youji Takahashi, General Manager, Investor Relations

TEL: +81-3-5635-8212

Date of Ordinary General Meeting of Shareholders (Scheduled): June 25, 2025

Commencement of Dividend Payment (Scheduled): June 26, 2025

Filing of Securities Report (Scheduled): June 23, 2025

Supplementary Document on Financial Results: Yes

Financial Results Briefing: Yes (for institutional investors)

(Amounts less than one million yen have been truncated)

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

(1) Consolidated Operating Results

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	452,457	7.3	18,627	(0.3)	16,808	(8.1)	12,479	(51.3)
March 31, 2024	421,854	14.3	18,692	677.8	18,293	—	25,649	—

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥7,037 million ((83.9)%)
Fiscal year ended March 31, 2024: ¥43,783 million (—%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	143.93	143.83	8.7	4.0	4.1
March 31, 2024	295.93	295.61	21.4	4.5	4.4

(Reference) Share of profit (loss) of entities accounted for using equity method:
Fiscal year ended March 31, 2025: ¥35 million
Fiscal year ended March 31, 2024: ¥156 million

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	410,965	145,745	35.4	1,679.42
As of March 31, 2024	423,399	141,314	33.3	1,628.78

(Reference) Shareholders' equity: As of March 31, 2025: ¥145,622 million
As of March 31, 2024: ¥141,174 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	39,261	(19,634)	(17,861)	36,237
March 31, 2024	24,721	(14,335)	(15,709)	34,422

2. Dividends

	Dividend per share					Total dividend amount (Annual)	Dividend payout ratio (Consolidated)	Dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	0.00	—	30.00	30.00	2,600	10.1	2.2
March 31, 2025	—	0.00	—	45.00	45.00	3,901	31.3	2.7
Fiscal year ending March 31, 2026 (Forecasts)	—	0.00	—	50.00	50.00		31.0	

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

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	450,000	(0.5)	19,000	2.0	17,000	1.1	14,000	12.2	161.46

Notes:

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

Newly included: - companies (Company name)

Excluded: - companies (Company name)

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

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

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

3) Changes in accounting estimates: None

4) Restatements: None

(Note) For details, please refer to “(5) Notes to Consolidated Financial Statements (Notes on Changes in Accounting Policies)” of “2. Consolidated Financial Statements and Significant Notes Thereto” on page 13 of the Attachment.

(3) Number of issued shares (common shares)

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

As of March 31, 2025	87,217,602 shares
As of March 31, 2024	87,217,602 shares

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

As of March 31, 2025	507,427 shares
As of March 31, 2024	542,144 shares

3) Average number of shares during the period

Fiscal year ended March 31, 2025	86,706,992 shares
Fiscal year ended March 31, 2024	86,672,675 shares

(Reference) Summary of non-consolidated financial results

Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	320,599	11.9	8,120	–	14,529	(13.6)	13,739	(41.8)
March 31, 2024	286,525	22.0	(4,997)	–	16,812	–	23,604	–

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Fiscal year ended March 31, 2025	158.46		158.35	
March 31, 2024	272.34		272.04	

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	346,327	112,416	32.4	1,295.95
As of March 31, 2024	354,816	102,748	28.9	1,184.59

(Reference) Shareholders' equity: As of March 31, 2025: ¥112,372 million
As of March 31, 2024: ¥102,674 million

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

Explanation regarding appropriate use of results projection and other special notes

(Warning on forward-looking statements)

The forward-looking statements including the forecasts for the financial results contained in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable, and actual results may differ from such statements due to a variety of factors. For the conditions assumed for the results projection and notes on the use of such projections, please refer to “Future Outlook” of “1. Operating Results , (1) Overview of Operating Results for the Current Fiscal Year” on page 4 of the Attachment.

(How to obtain supplementary document on financial results)

The Company is scheduled to hold a financial results briefing for institutional investors on May 8, 2025 (Thursday). The document on financial results is disclosed on TDNet at the same time as this Summary of Consolidated Financial Results and is also made available on the Company's website on the same day.

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1. Operating Results

(1) Overview of Operating Results for the Current Fiscal Year

1) Results of operations for the fiscal year under review (April 1, 2024 to March 31, 2025)

The Japanese economy has been on a moderate recovery trend due to the effects of various government policies, with improvements in employment and the income situation. On the other hand, the outlook remains uncertain due to factors such as continued rising prices, U.S. trade policy trends, and exchange rate fluctuations.

In this environment, OKI's vision for 2031, the 150th anniversary of the Company's founding, is to provide value that leads to the resolution of social issues as a company that contributes to sustaining uninterrupted social infrastructure in the three fields of contribution: safe and convenient social infrastructure, job satisfaction and productivity enhancement, and conservation of the global environment. In order to realize OKI's vision, we have started the Medium-Term Business Plan 2025 since the previous fiscal year. In this fiscal year, the second year of Medium-Term Business Plan 2025, we accelerated cultural transformation and style change to further steer the Company toward growth.

In the consolidated fiscal year ended March 2025, Public Solutions, Enterprise Solutions, and Component Products all performed steadily. Their strong performance offset the negative impact from weak demand in EMS, resulting in positive overall results. As a result, net sales reached ¥452.5 billion (a year-on-year increase of ¥30.6 billion, or 7.3%).

On the profit front, although there were rises in personnel costs and fixed costs due to growth investments, increased sales led to operating income amounting to ¥18.6 billion (a year-on-year decrease of ¥0.1 billion, or 0.3%). Ordinary income was ¥16.8 billion (a year-on-year decrease of ¥1.5 billion, or 8.1%) due to a deterioration in terms of foreign exchange gains/losses, while profit attributable to owners of parent was ¥12.5 billion (a year-on-year decrease of ¥13.1 billion, or 51.3%).

(Billions of yen)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Year-on-year change rate
Net sales	452.5	421.9	7.3%
Operating income	18.6	18.7	(0.3) %
Ordinary income	16.8	18.3	(8.1) %
Profit attributable to owners of parent	12.5	25.6	(51.3) %

Net sales and operating income to external customers by business segment were as follows.

< Public Solutions >

Net sales reached ¥130.5 billion (a year-on-year increase of ¥36.5 billion, or 38.9%), and operating income was ¥14.1 billion (a year-on-year increase of ¥9.7 billion, or 217.2%). Both Social Infrastructure Solutions and TOKKI Systems grew, expanding net sales to 1.4 times their previous size, and the operating income ratio doubled to a level of 10%.

(Billions of yen)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Year-on-year change rate
Net sales	130.5	94.0	38.9 %
Operating income	14.1	4.4	217.2 %

< Enterprise Solutions >

Net sales were ¥179.8 billion (a year-on-year decrease of ¥0.3 billion, or 0.2%), and operating income was ¥13.1 billion (a year-on-year decrease of ¥8.9 billion, or 40.3%). Due to large-scale projects from the second half of the previous fiscal year, both net sales and profits remained at high levels.

(Billions of yen)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Year-on-year change rate
Net sales	179.8	180.1	(0.2) %
Operating income	13.1	22.0	(40.3) %

< Component Products >

Net sales were ¥75.8 billion (a year-on-year increase of ¥2.4 billion, or 3.2%) and operating income was ¥2.9 billion (a year-on-year increase of ¥2.3 billion, or 417.9%). Operating income improved due to profit-focused management.

(Billions of yen)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Year-on-year change rate
Net sales	75.8	73.4	3.2 %
Operating income	2.9	0.6	417.9 %

< EMS >

Net sales were ¥65.9 billion (a year-on-year decrease of ¥8.0 billion, or 10.8%) and there was an operating loss of ¥0.8 billion (a year-on-year deterioration of ¥1.9 billion). Due to the prolonged recession in Semiconductor and FA/Robotics market, sales and operating income both declined for the second consecutive year.

(Billions of yen)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Year-on-year change rate
Net sales	65.9	73.9	(10.8) %
Operating income (loss)	(0.8)	1.1	—

<Others>

Net sales were ¥0.4 billion (flat year on year). The operating loss was ¥1.5 billion (a year-on-year deterioration of ¥0.4 billion), due to investments essential for growth, including research and development aimed at creating future businesses.

(Billions of yen)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Year-on-year change rate
Net sales	0.4	0.4	4.5 %
Operating income (loss)	(1.5)	(1.1)	—

2) Future Outlook

The forecast for the next fiscal year (ending March 2026) is as follows. All management figures are expected to achieve the targets of Medium-Term Business Plan 2025.

The exchange rates used for the consolidated results forecast are ¥150 to the U.S. dollar and ¥155 to the euro.

(Billions of yen)	Fiscal year ending March 31, 2026	Fiscal year ended March 31, 2025	Change
Net sales	450.0	452.5	(0.5) %
Operating income	19.0	18.6	2.0 %
Ordinary income	17.0	16.8	1.1 %
Profit attributable to owners of parent	14.0	12.5	12.2 %

	(Billions of yen)	Fiscal year ending March 31, 2026	Fiscal year ended March 31, 2025	Change
Public Solutions	Net sales	141.5	130.5	8.4 %
	Operating income	13.5	14.1	(4.2) %
Enterprise Solutions	Net sales	157.5	179.8	(12.4) %
	Operating income	11.0	13.1	(16.1) %
Component Products	Net sales	72.5	75.8	(4.3) %
	Operating income	3.0	2.9	2.4 %
EMS	Net sales	76.5	65.9	16.1 %
	Operating income	4.0	(0.8)	—
Others	Net sales	2.0	0.4	345.8 %
	Operating income	(1.5)	(1.5)	—
Elimination/corporate	Operating income	(11.0)	(9.2)	—
Total	Net sales	450.0	452.5	(0.5) %
	Operating income	19.0	18.6	2.0 %

(Warning on forward-looking statements)

The forward-looking statements including the projection for the financial results contained in this document are based on information currently available to OKI and certain assumptions that the Company deems to be reasonable, and actual results may differ from such statements due to a variety of factors. Major factors that may affect actual results include market trends, a sharp rise in raw material prices, abrupt currency fluctuations and disasters. It should be noted, however, that factors that may affect actual results are not limited to these items.

(2) Overview of Financial Position for the Current Fiscal Year

1) Assets, liabilities, and net assets at the end of the fiscal year

At the end of the consolidated fiscal year ended March 31, 2025, total assets were ¥411.0 billion, down ¥12.4 billion year on year. Shareholders' equity increased ¥4.4 billion from the end of the previous fiscal year to ¥145.6 billion, mainly due to the recording of ¥12.5 billion in profit attributable to owners of parent, a ¥5.5 billion decrease in accumulated other comprehensive income, and the payment of ¥2.6 billion in ordinary dividends. As a result, the shareholders' equity ratio was 35.4%.

In terms of assets, inventories and investment securities declined by ¥5.8 billion and ¥4.9 billion, respectively.

In terms of liabilities, borrowings fell ¥11.8 billion from ¥110.0 billion as of March 31, 2024 to ¥98.2 billion.

2) Cash flows for the fiscal year

Net cash provided through operating activities amounted to ¥39.3 billion (compared with ¥24.7 billion in the previous fiscal year), mainly due to the recording of pre-tax profit and improved working capital.

Net cash used in investing activities came to ¥19.6 billion (compared to ¥14.3 billion in the previous fiscal year), mainly because of purchases of property, plant, and equipment.

As a result, free cash flow (operating cash flow plus investing cash flow) amounted to an inflow of ¥19.7 billion (compared to ¥10.4 billion in the previous fiscal year).

Net cash used by financing activities was ¥17.9 billion (compared with ¥15.7 billion in the previous fiscal year), mainly due to repayments of borrowings and lease obligations.

Owing to these factors, the balance of cash and cash equivalents at the end of the fiscal year ended March 31, 2025 amounted to ¥36.2 billion, up from ¥34.4 billion at the end of the previous fiscal year.

(3) Basic Policy Concerning the Distribution of Profits and the Dividend Distributions for the Fiscal Year Ended March 31, 2025 and the Fiscal Year Ending March 31, 2026

The Company regards returning profits to shareholders as one of its most important management priorities.

The Company determines the dividend amounts based on a basic policy of maintaining stable dividends, while comprehensively taking into consideration its business performance, the cash flow situation based on investments essential for future growth (capital investment, research and development investment, and human capital investment), and the level of internal reserves. We will continue to strive to enhance shareholder returns while strengthening our financial base.

Based on this policy, the Company will distribute dividends of surplus (annual dividends) at ¥45.00 per share for the fiscal year under review.

For the fiscal year ending March 31, 2026, the Company plans to pay a dividend of ¥50.00 per share from surplus as a year-end dividend.

2. Basic Approach to the Selection of Accounting Standards

The OKI Group is conducting studies on the differences between the International Financial Reporting Standards (IFRS) and J-GAAP and their potential impact. The OKI Group is moving ahead with deliberations on the future application of IFRS.

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	35,044	36,865
Notes and accounts receivable - trade, and contract assets	114,115	112,215
Lease receivables and investments in leases	5,866	4,728
Finished goods	17,981	18,441
Work in process	17,380	15,122
Raw materials and supplies	35,409	31,436
Other	13,909	13,187
Allowance for doubtful accounts	(19)	(118)
Total current assets	239,687	231,878
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	24,951	25,319
Machinery, equipment and vehicles, net	8,654	7,338
Tools, furniture and fixtures, net	8,845	8,605
Land	15,979	16,075
Construction in progress	2,138	2,948
Total property, plant and equipment	60,569	60,288
Intangible assets	15,924	18,153
Investments and other assets		
Investment securities	43,336	38,380
Retirement benefit asset	37,234	34,617
Other	36,959	40,523
Allowance for doubtful accounts	(10,313)	(12,875)
Total investments and other assets	107,218	100,645
Total non-current assets	183,711	179,086
Total assets	423,399	410,965
Liabilities		
Current liabilities		
Notes and accounts payable - trade	64,030	61,429
Short-term borrowings	60,012	41,390
Accounts payable - other	19,757	22,543
Other	44,569	41,629
Total current liabilities	188,369	166,992
Non-current liabilities		
Long-term borrowings	50,017	56,773
Lease liabilities	5,119	4,839
Deferred tax liabilities	5,072	4,152
Retirement benefit liability	27,887	27,100
Other	5,619	5,361
Total non-current liabilities	93,715	98,226
Total liabilities	282,084	265,219

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Net assets		
Shareholders' equity		
Share capital	44,000	44,000
Capital surplus	18,960	18,940
Retained earnings	73,622	83,501
Treasury shares	(761)	(713)
Total shareholders' equity	135,820	145,728
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,069	7,769
Deferred gains or losses on hedges	(10)	(126)
Foreign currency translation adjustment	(7,020)	(7,301)
Remeasurements of defined benefit plans	3,315	(448)
Total accumulated other comprehensive income	5,353	(105)
Share acquisition rights	73	44
Non-controlling interests	65	78
Total net assets	141,314	145,745
Total liabilities and net assets	423,399	410,965

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

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	421,854	452,457
Cost of sales	316,443	339,096
Gross profit	105,411	113,361
Selling, general and administrative expenses	86,718	94,733
Operating profit	18,692	18,627
Non-operating income		
Interest income	1,094	1,175
Dividend income	1,401	1,438
Foreign exchange gains	500	—
Dividend income of insurance	418	397
Miscellaneous income	1,153	609
Total non-operating income	4,569	3,620
Non-operating expenses		
Interest expenses	2,289	2,289
Foreign exchange losses	—	1,397
Miscellaneous expenses	2,678	1,752
Total non-operating expenses	4,967	5,439
Ordinary profit	18,293	16,808
Extraordinary income		
Gain on sale of investment securities	1,390	1,448
Total extraordinary income	1,390	1,448
Extraordinary losses		
Loss on disposal of non-current assets	1,481	690
Impairment losses	—	1,834
Extra retirement payments	—	528
Total extraordinary losses	1,481	3,052
Profit before income taxes	18,202	15,205
Income taxes - current	3,562	3,417
Income taxes - deferred	(11,014)	(705)
Total income taxes	(7,452)	2,711
Profit	25,654	12,493
Profit attributable to non-controlling interests	5	13
Profit attributable to owners of parent	25,649	12,479

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	25,654	12,493
Other comprehensive income		
Valuation difference on available-for-sale securities	7,988	(1,298)
Deferred gains or losses on hedges	21	(115)
Foreign currency translation adjustment	1,325	(276)
Remeasurements of defined benefit plans, net of tax	8,788	(3,763)
Share of other comprehensive income of entities accounted for using equity method	3	(1)
Total other comprehensive income	18,128	(5,455)
Comprehensive income	43,783	7,037
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	43,773	7,020
Comprehensive income attributable to non-controlling interests	10	17

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	44,000	18,994	49,705	(841)	111,858
Changes during period					
Dividends of surplus			(1,732)		(1,732)
Profit (loss) attributable to owners of parent			25,649		25,649
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		(33)		81	47
Net changes in items other than shareholders' equity					
Total changes during period	—	(33)	23,916	79	23,962
Balance at end of period	44,000	18,960	73,622	(761)	135,820

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,077	(32)	(8,341)	(5,473)	(12,770)	121	69	99,279
Changes during period								
Dividends of surplus								(1,732)
Profit (loss) attributable to owners of parent								25,649
Purchase of treasury shares								(2)
Disposal of treasury shares								47
Net changes in items other than shareholders' equity	7,991	21	1,321	8,788	18,124	(47)	(3)	18,072
Total changes during period	7,991	21	1,321	8,788	18,124	(47)	(3)	42,035
Balance at end of period	9,069	(10)	(7,020)	3,315	5,353	73	65	141,314

Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	44,000	18,960	73,622	(761)	135,820
Changes during period					
Dividends of surplus			(2,600)		(2,600)
Profit (loss) attributable to owners of parent			12,479		12,479
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(20)		50	29
Net changes in items other than shareholders' equity					
Total changes during period	—	(20)	9,879	48	9,907
Balance at end of period	44,000	18,940	83,501	(713)	145,728

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	9,069	(10)	(7,020)	3,315	5,353	73	65	141,314
Changes during period								
Dividends of surplus								(2,600)
Profit (loss) attributable to owners of parent								12,479
Purchase of treasury shares								(1)
Disposal of treasury shares								29
Net changes in items other than shareholders' equity	(1,299)	(115)	(280)	(3,763)	(5,459)	(29)	12	(5,476)
Total changes during period	(1,299)	(115)	(280)	(3,763)	(5,459)	(29)	12	4,431
Balance at end of period	7,769	(126)	(7,301)	(448)	(105)	44	78	145,745

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	18,202	15,205
Depreciation	14,201	14,978
Impairment losses	228	1,834
Increase (decrease) in provisions	(7,681)	3,207
Interest and dividend income	(2,496)	(2,614)
Interest expenses	2,289	2,289
Loss (gain) on sale of investment securities	(1,389)	(1,406)
Loss (gain) on disposal of non-current assets	1,413	659
Decrease (increase) in trade receivables	(12,379)	1,648
Decrease (increase) in inventories	8,439	5,814
Increase (decrease) in trade payables	(3,779)	(2,822)
Other, net	8,175	3,962
Subtotal	25,223	42,755
Interest and dividends received	1,556	1,585
Interest paid	(2,220)	(2,252)
Income taxes refund (paid)	162	(2,827)
Net cash provided by (used in) operating activities	24,721	39,261
Cash flows from investing activities		
Purchase of property, plant and equipment	(12,195)	(10,503)
Purchase of intangible assets	(4,788)	(6,339)
Proceeds from sale of investment securities	2,928	5,064
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	1,199	—
Purchase of long-term prepaid expenses	(1,004)	(7,881)
Other payments	(663)	(758)
Other proceeds	189	784
Net cash provided by (used in) investing activities	(14,335)	(19,634)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(32,249)	(13,392)
Proceeds from long-term borrowings	44,250	25,000
Repayments of long-term borrowings	(21,645)	(23,276)
Dividends paid	(1,726)	(2,586)
Repayments of lease liabilities	(4,403)	(3,650)
Other, net	65	44
Net cash provided by (used in) financing activities	(15,709)	(17,861)
Effect of exchange rate change on cash and cash equivalents	2,246	49
Net increase (decrease) in cash and cash equivalents	(3,076)	1,814
Cash and cash equivalents at beginning of period	37,498	34,422
Cash and cash equivalents at end of period	34,422	36,237

(5) Notes to Consolidated Financial Statements
(Notes on Going Concern Assumption)
No applicable

(Notes on Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes," etc.)

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter, "2022 Revised Accounting Standard") has been applied from the beginning of the current fiscal year.

With regard to the revision of the classification of corporate income taxes (taxation on other comprehensive income), the Company adheres to the transitional treatment stipulated in the provisory clause of Paragraph 20-3 of the 2022 Revised Accounting Standard, as well as that in the provisory clause of Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Guidance"). This change in accounting policy has no impact on the consolidated financial statements.

Additionally, with regard to the revision related to the treatment in consolidated financial statements of gains or losses arising from the sale of subsidiary shares between consolidated companies, which may be deferred for tax purposes, the Company has applied the 2022 Revised Guidance from the beginning of the fiscal year ending March 31, 2025. This change in accounting policy has been applied retrospectively. As a result, the consolidated financial statements for the previous fiscal year have been restated to reflect this change. This change in accounting policy has no effect on the consolidated financial statements for the previous fiscal year.

(Notes on Segment Information)

1. Overview of reportable segments

The reportable segments of the Company are the business units for which the Company is able to obtain respective financial information separately in order for the Board of Directors to conduct periodic review to determine distribution of management resources and evaluate their business results.

The Company has four reportable segments: the Public Solutions Business, the Enterprise Solutions Business, the Component Products Business, and the EMS Business. Each of them plans comprehensive strategies for their main product lines in domestic and overseas markets and is engaged in its business activities.

The Public Solutions Business provides mission-critical system solutions and edge-to-backbone networks for transportation, disaster preparedness, defense, etc.

The Enterprise Solutions Business provides solutions and services to solve labor shortages and improve operational efficiency through manufacturing & sales of mechatronics products, and construction & maintenance related.

The Component Products Business provides edge products covering sensing, AI, communications, and output.

The EMS business provides one-stop comprehensive Mono-zukuri services from design to manufacturing and reliability testing.

Listed below are the major products and services of each reportable segment:

Listed below are the major products and services of each reportable segment:

Business segment	Major products and services
Public Solutions	Road-related systems, aviation and air traffic control systems, firefighting and disaster preparedness related systems, central government work systems, defense systems, aviation equipment, communications equipment for telecom carriers, etc.
Enterprise Solutions	ATMs, cash handling equipment, bank branch terminals, ticket reservations and issuing terminals, check-in terminals, currency exchange machines, ATM monitoring and operations services, bank branch systems, centered-administration systems, ticket reservations and issuing systems, construction and maintenance services, etc.
Component Products	Edge devices (IoT), sensor network, PBX, business telephones, contact centers, cloud services, LED printer, etc.
EMS	Consigned designing and manufacturing services, printed circuit boards, cables and electrode wires, engineering, etc.

2. Calculation methods for the amount of net sales, profit and loss by reportable segment

Segment income is calculated on an operating income basis. Intersegment transactions are calculated based on prevailing market rates.

3. Information about amounts of net sales, profit and loss by reportable segment
Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded on consolidated statements of income (Note 3)
	Public Solutions	Enterprise Solutions	Component Products	EMS	Total				
Net sales									
Net sales to external Customers	93,977	180,144	73,413	73,889	421,425	429	421,854	—	421,854
Intersegment net sales or transfers	4,376	391	6,180	594	11,543	9,522	21,066	(21,066)	—
Total	98,354	180,535	79,594	74,483	432,968	9,952	442,920	(21,066)	421,854
Segment income (loss)	4,443	21,960	565	1,118	28,088	(1,100)	26,988	(8,295)	18,692

Current fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded on consolidated statements of income (Note 3)
	Public Solutions	Enterprise Solutions	Component Products	EMS	Total				
Net sales									
Net sales to external Customers	130,506	179,804	75,780	65,918	452,009	448	452,457	—	452,457
Intersegment net sales or transfers	6,474	332	6,630	557	13,995	10,395	24,390	(24,390)	—
Total	136,981	180,137	82,410	66,476	466,004	10,843	476,848	(24,390)	452,457
Segment income (loss)	14,093	13,108	2,929	(803)	29,328	(1,453)	27,875	(9,247)	18,627

- Notes: 1. "Others" consists of businesses not included in the reportable segments, such as provision of services.
2. Details of adjustment are as follows:

(Millions of yen)

Segment income or loss	Previous fiscal year	Current fiscal year
Elimination of intersegment transactions	247	494
Corporate expenses*	(8,474)	(9,658)
Adjustment to non-current assets	(68)	(83)
Total	(8,295)	(9,247)

*Corporate expenses are mainly general and administrative expenses and research and development expenses that are not attributable to the reportable segments.

3. Segment income or loss is reconciled with operating income in the consolidated statements of income.

(Notes on Per Share Information)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Net assets per share	¥1,628.78	¥1,679.42
Basic earnings (losses) per share	¥295.93	¥143.93
Diluted earnings per share	¥295.61	¥143.83

Notes: 1. The basis for calculation of basic earnings (losses) per share and diluted earnings per share is as follows:

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Basic earnings (losses) per share		
Profit(loss) attributable to owners of parent (Millions of yen)	25,649	12,479
Profit (loss) not attributable to common shareholders (Millions of yen)	—	—
Profit (loss) attributable to owners of parent related to common stock (Millions of yen)	25,649	12,479
Weighted average number of shares of common stock during the period (Thousand shares)	86,672	86,706
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (Millions of yen)	—	—
Increase of common stock (Thousand shares)	94	59
Outline of dilutive shares not counted in the calculation of diluted earnings per share due to no dilutive effect	—	—

2. The basis for calculation of net assets per share is as follows:

	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Total net assets (Millions of yen)	141,314	145,745
Amount deducted from the total net assets (Millions of yen)	139	122
[Subscription rights to shares included in the above]	[73]	[44]
[Non-controlling interests included in the above]	[65]	[78]
Amount of net assets related to common stock at end of period (Millions of yen)	141,174	145,622
Number of common stock used to calculate net assets per share at end of period (Thousand shares)	86,675	86,710

(Notes on Significant Subsequent Events)

No applicable