

(Translation)

## Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2024 (J-GAAP)

August 10, 2023

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

Securities Code: 6703

Stock Exchange Listing: Tokyo Stock Exchange

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Filing of Quarterly Securities Report (Scheduled): August 14, 2023

Commencement of Dividend Payment (Scheduled): –

Supplementary Document on Quarterly Financial Results: Yes

Quarterly Financial Results Briefing: Yes (for institutional investors)

(Amounts less than one million yen have been truncated)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2023

(from April 1, 2023 to June 30, 2023)

#### (1) Consolidated operating results (cumulative)

(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	%
Three months ended June 30, 2023	81,525	4.3	(10)	–	(293)	–	(156)	–
June 30, 2022	78,127	(2.2)	(3,001)	–	(3,082)	–	(3,186)	–

(Note) Comprehensive income Three months ended June 30, 2023: ¥(2,972) million (–%)  
Three months ended June 30, 2022: ¥(3,342) million (–%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	(1.81)	–
June 30, 2022	(36.78)	–

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	386,455	100,519	26.0
As of March 31, 2023	390,425	99,279	25.4

(Reference) Shareholders' equity As of June 30, 2023: ¥100,356 million  
As of March 31, 2023: ¥99,088 million

### 2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	0.00	–	20.00	20.00
Fiscal year ending March 31, 2024	–				
Fiscal year ending March 31, 2024 (Projection)		0.00	–	30.00	30.00

(Note) Revisions to dividend projection most recently announced: None

3. Consolidated Results Projection for the Fiscal Year Ending March 31, 2024  
(from April 1, 2023 to March 31, 2024)

(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	440,000	19.2	15,000	524.2	12,500	—	8,000	—	92.31

(Note) Revisions to operating results projection most recently announced: Yes

Notes:

- (1) Changes in significant subsidiaries during the period  
(changes in specified subsidiaries resulting in changes in the scope of consolidation): None
- (2) Application of accounting procedures specific to quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatements
  - 1) Changes in accounting policies in accordance with revision of accounting standards, etc.: None
  - 2) Any changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Restatements: None
- (4) Number of shares issued (common stock)
  - 1) Number of shares issued at the end of the period (including treasury shares)
    - As of June 30, 2023: 87,217,602 shares
    - As of March 31, 2023: 87,217,602 shares
  - 2) Number of treasury shares at the end of the period
    - As of June 30, 2023: 555,525 shares
    - As of March 31, 2023: 598,803 shares
  - 3) Average number of shares during the period
    - Three months ended June 30, 2023: 86,662,187 shares
    - Three months ended June 30, 2022: 86,619,897 shares

Quarterly financial results reports are exempt from quarterly review 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 projection 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 “(3) Forward-Looking Statements Including Projection for Consolidated Operating Results and Other” of “1. Qualitative Information on Financial Results for the Period” on page 5 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 August 10, 2023 (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. Qualitative Information on Financial Results for the Period

### (1) Operating Results

#### 1) Overview of the first quarter of the fiscal year ending March 31, 2024 (April 1, 2023 to June 30, 2023)

Due to the relaxation of measures against the COVID-19 pandemic, there has been a normalization of economic activity. However, the future remains uncertain due to factors such as rising resource prices leading to inflation, the progression of inflation and financial tightening primarily in Western countries, and the geopolitical risks associated with the situation in Ukraine.

Given this state of affairs, the OKI Group has formulated a new Medium-term Business Plan 2025 and updated its materiality. To further clarify the relationship between our materiality and business, we have established three contribution areas: “safe and convenient social infrastructure,” “job satisfaction and productivity enhancement,” and “conservation of global environment.” As a company dedicated to maintaining social infrastructure without interruptions, OKI is committed to providing value that addresses social issues in these three contribution areas.

Net sales for the first quarter of the fiscal year ending March 31, 2024 reached ¥81.5 billion (a year-on-year increase of ¥3.4 billion, or 4.3%). This was mainly due to the alleviation of the impact of production declines caused by difficulties in procuring components, leading to increased net sales.

On the profit front, while there were positive effects from increased sales, OKI experienced cost hikes due to the components procured in the previous fiscal year and rising labor costs. However, by recording a reversal of allowance for doubtful accounts of ¥4.3 billion for ATM claims in China, the operating loss was ¥0 billion (a year-on-year improvement of ¥3.0 billion).

Ordinary loss came in at ¥0.3 billion (an improvement of ¥2.8 billion year-on-year), due to factors such as increased interest payments.

Loss attributable to owners of parent was ¥0.2 billion (a year-on-year improvement of ¥3.0 billion).

(Billions of yen)	Three months ended June 30, 2023	Three months ended June 30, 2022	Year-on-year change rate
Net sales	81.5	78.1	4.3 %
Operating income (loss)	0.0	(3.0)	—
Ordinary income (loss)	(0.3)	(3.1)	—
Profit (loss) attributable to owners of parent	(0.2)	(3.2)	—

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

Please note that from the first quarter of the fiscal year ending March 31, 2024, the categorization of the reportable segments has been changed. Figures for the first quarter of the previous fiscal year were reorganized under the new segment classification for year-on-year comparisons.

#### 2) Results by business segment

##### <Public Solutions>

Segment net sales came to ¥19.3 billion (equivalent to the previous year, a year-on-year decrease of 0.2%), and the segment operating loss amounted to ¥0.1 billion (a year-on-year improvement of ¥0.2 billion). While defense-related projects saw an increase, there was a decline in communication carrier projects. As a result, segment net sales and operating income remained roughly at the previous year's levels.

(Billions of yen)	Three months ended June 30, 2023	Three months ended June 30, 2022	Year-on-year change rate
Net sales	19.3	19.3	(0.2) %
Operating income(loss)	(0.1)	(0.3)	—

<Enterprise Solutions>

Segment net sales reached ¥27.4 billion (a year-on-year increase of ¥4.1 billion, or 17.5%). Sales increased year-on-year due to a recovery from production declines caused by shortages of components.

Segment operating income was ¥1.9 billion (a year-on-year improvement of ¥3.5 billion). Despite the impact of increased material costs in hardware products, the higher profit from construction and maintenance services offset some of this impact. Additionally, the recording of a reversal of allowance for doubtful accounts amounting to ¥4.3 billion contributed to a year-on-year increase in operating income.

(Billions of yen)	Three months ended June 30, 2023	Three months ended June 30, 2022	Year-on-year change rate
Net sales	27.4	23.3	17.5 %
Operating income(loss)	1.9	(1.6)	–

<Component Products>

Segment net sales were ¥17.0 billion (a year-on-year decrease of ¥2.2 billion, or 11.1%), and the segment operating loss amounted to ¥0.8 billion (a year-on-year deterioration of ¥0.7 billion). Although the profit in IoT improved due to the decrease in the impact of soaring material prices, there was a reactionary decline in the printer business from a last-minute surge in demand ahead of the previous year's price hikes. As a result, the segment posted a year-on-year decrease in both net sales and operating income.

(Billions of yen)	Three months ended June 30, 2023	Three months ended June 30, 2022	Year-on-year change rate
Net sales	17.0	19.2	(11.1) %
Operating income(loss)	(0.8)	(0.1)	–

<EMS>

Segment net sales stood at ¥17.7 billion (a year-on-year increase of ¥1.5 billion, or 9.3%). Segment operating income was ¥0.6 billion (a year-on-year increase of ¥0.5 billion, or 627.3%). Our customers are primarily in the domestic market, and demand was generally steady. Coupled with improvements in supply chain impacts, the segment realized a year-on-year growth in both net sales and operating income.

(Billions of yen)	Three months ended June 30, 2023	Three months ended June 30, 2022	Year-on-year change rate
Net sales	17.7	16.2	9.3 %
Operating income(loss)	0.6	0.1	627.3 %

<Others>

Segment net sales came to ¥0.1 billion (equivalent to the previous year, a year-on-year decrease of 11.5%). The operating loss amounted to ¥0.1 billion (a deterioration of ¥0.2 billion year-on-year).

(Billions of yen)	Three months ended June 30, 2023	Three months ended June 30, 2022	Year-on-year change rate
Net sales	0.1	0.1	(11.5) %
Operating income(loss)	(0.1)	0.1	–

(2) Financial Position

1) Assets, liabilities, net assets, etc., at the end of the first quarter of the fiscal year ending March 31, 2024

As of June 30, 2023, total assets were ¥386.5 billion, a decrease of ¥3.9 billion compared to the end of the previous fiscal year. Shareholders' equity increased by ¥1.3 billion from the end of the previous fiscal year to ¥100.4 billion, mainly due to an improvement of ¥3.2 billion in accumulated other comprehensive income and the payment of ¥1.7 billion in ordinary dividends. As a result, the shareholders' equity ratio stood at 26.0%.

Major shifts in assets primarily included a decrease of ¥16.4 billion in notes and accounts receivable-trade, and contract assets, while inventories increased by ¥9.2 billion.

In terms of liabilities, notes and accounts payable-trade have primarily decreased by ¥2.9 billion. Additionally, borrowings have decreased by ¥0.1 billion from ¥118.0 billion at the end of the previous fiscal year, amounting to ¥117.9 billion.

2) Cash flow for the first quarter of the fiscal year ending March 31, 2024

For the period under review, net cash provided by operating activities amounted to ¥2.2 billion (versus ¥0 billion of cash inflow for the same period of the previous fiscal year), primarily due to a decrease in working capital.

Net cash used in investing activities came to ¥5.9 billion (versus ¥4.9 billion of cash outflow), mainly because of purchases of property, plant, and equipment.

As a result, free cash flow (operating cash flow plus investing cash flow) was a negative ¥3.7 billion (versus a negative ¥4.9 billion).

Net cash used in financing activities was ¥3.8 billion (versus ¥4.3 billion cash inflow), largely due to the payment of ordinary dividends.

Owing to these factors, and a ¥0.8 billion positive impact of exchange rate changes on cash and cash equivalents, the balance of cash and cash equivalents at the end of the first quarter of the fiscal year ending March 31, 2024 was ¥30.8 billion, down from ¥37.5 billion at the end of the previous fiscal year.

(3) Forward-Looking Statements Including Projection for Consolidated Operating Results and Other

Regarding the full-year earnings forecast, after carefully examining the status of the lawsuit disclosed in the “Notice Concerning Judgment of the Lawsuit Filed by Subsidiary” dated June 20, 2023, we have made reversals to the allowance for doubtful accounts during the first quarter of the fiscal year ending March 31, 2024. Consequently, we have revised our forecasts for operating income to ¥15.0 billion (an increase of ¥4.0 billion compared to the previous announcement), ordinary income to ¥12.5 billion (an increase of ¥4.0 billion), and profit attributable to owners of parent to ¥8.0 billion (an increase of ¥4.0 billion). We have also made revisions to the breakdown for each business segment as described below.

For more details, please refer to “Financial Results for Q1 FY2023” and the “Notice Regarding Revisions to Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2024” that we disclosed today.

(Reference)

Full-year consolidated results projection for the fiscal year ending March 31, 2024  
(from April 1, 2023 to March 31, 2024)

	(Billion yen)			
	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
Previous projection (A)	440.0	11.0	8.5	4.0
Current projection (B)	440.0	15.0	12.5	8.0
Amount change (B – A)	-	4.0	4.0	4.0
Percentage change (%)	-	36.4	47.1	100.0
(Reference) Actual results for the fiscal year ended March 31, 2023	369.1	2.4	(0.3)	(2.8)

		(Billion yen)		
(Billions of yen)		FY2023 Revised	FY2023 Previous	Change
Public Solutions	Net sales	98.0	98.0	-
	Operating income	4.0	4.0	-
Enterprise Solutions	Net sales	178.0	178.0	-
	Operating income	15.5	11.5	4.0
Component Products	Net sales	81.0	81.0	-
	Operating income	2.0	2.0	-
EMS	Net sales	83.0	83.0	-
	Operating income	2.5	2.5	-
Others	Net sales	0.0	0.0	-
	Operating income	(1.5)	(1.5)	-
Elimination/corporate	Operating income	(7.5)	(7.5)	-
Total	Net sales	440.0	440.0	-
	Operating income	15.0	11.0	4.0

(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 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. 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. Consolidated Financial Statements and Significant Notes Thereto

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	37,746	31,060
Notes and accounts receivable - trade, and contract assets	94,598	78,227
Finished goods	20,224	24,626
Work in process	21,135	22,952
Raw materials and supplies	35,076	38,046
Other	21,467	25,631
Allowance for doubtful accounts	(57)	(48)
Total current assets	230,191	220,496
Non-current assets		
Property, plant and equipment	60,959	60,474
Intangible assets	16,349	15,751
Investments and other assets	82,925	89,733
Total non-current assets	160,234	165,959
Total assets	390,425	386,455
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	60,653	57,783
Short-term borrowings	86,714	86,649
Provisions	5,044	4,888
Other	52,839	52,174
Total current liabilities	205,252	201,495
Non-current liabilities		
Long-term borrowings	31,268	31,268
Provision for retirement benefits for directors (and other officers)	121	94
Other provisions	1,281	1,367
Retirement benefit liability	30,906	30,728
Other	22,317	20,982
Total non-current liabilities	85,894	84,440
Total liabilities	291,146	285,936
<b>Net assets</b>		
Shareholders' equity		
Share capital	44,000	44,000
Capital surplus	18,994	18,969
Retained earnings	49,705	47,816
Treasury shares	(841)	(781)
Total shareholders' equity	111,858	110,004
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,077	3,359
Deferred gains or losses on hedges	(32)	(65)
Foreign currency translation adjustment	(8,341)	(7,346)
Remeasurements of defined benefit plans	(5,473)	(5,594)
Total accumulated other comprehensive income	(12,770)	(9,647)
Share acquisition rights	121	86
Non-controlling interests	69	76
Total net assets	99,279	100,519
Total liabilities and net assets	390,425	386,455



(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated Statements of Income)  
(For the Three Months Ended June 30, 2022 and 2023)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	78,127	81,525
Cost of sales	60,613	64,684
Gross profit	17,513	16,841
Selling, general and administrative expenses	20,515	16,852
Operating loss	(3,001)	(10)
Non-operating income		
Interest income	36	30
Dividend income	361	383
Miscellaneous income	254	182
Total non-operating income	653	596
Non-operating expenses		
Interest expenses	397	506
Loss on disaster	170	—
Miscellaneous expenses	166	371
Total non-operating expenses	734	878
Ordinary loss	(3,082)	(293)
Extraordinary losses		
Loss on disposal of non-current assets	—	985
Total extraordinary losses	—	985
Loss before income taxes	(3,082)	(1,278)
Income taxes - current	369	245
Income taxes - deferred	(266)	(1,371)
Total income taxes	102	(1,125)
Loss	(3,185)	(153)
Profit attributable to non-controlling interests	1	3
Loss attributable to owners of parent	(3,186)	(156)

(Consolidated Statements of Comprehensive Income)  
(For the Three Months Ended June 30, 2022 and 2023)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Loss	(3,185)	(153)
Other comprehensive income		
Valuation difference on available-for-sale securities	(698)	2,282
Deferred gains or losses on hedges	71	(33)
Foreign currency translation adjustment	459	998
Remeasurements of defined benefit plans, net of tax	9	(121)
Total other comprehensive income	(157)	3,125
Comprehensive income	(3,342)	2,972
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,347)	2,965
Comprehensive income attributable to non-controlling interests	4	6

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
<b>Cash flows from operating activities</b>		
Loss before income taxes	(3,082)	(1,278)
Depreciation	2,894	3,210
Increase (decrease) in provisions	(5)	(8,866)
Interest and dividend income	(398)	(414)
Interest expenses	397	506
Loss (gain) on disposal of non-current assets	35	980
Decrease (increase) in trade receivables	24,805	20,443
Decrease (increase) in inventories	(14,926)	(7,015)
Increase (decrease) in trade payables	(4,441)	(6,100)
Other, net	(4,325)	1,446
Subtotal	953	2,913
Interest and dividends received	398	414
Interest paid	(268)	(390)
Income taxes paid	(1,052)	(699)
Net cash provided by (used in) operating activities	29	2,237
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2,789)	(4,566)
Purchase of intangible assets	(1,091)	(1,129)
Payments for acquisition of businesses	(1,500)	—
Other payments	(384)	(258)
Other proceeds	886	34
Net cash provided by (used in) investing activities	(4,878)	(5,919)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	10,226	1,433
Repayments of long-term borrowings	(2,547)	(2,497)
Dividends paid	(2,326)	(1,549)
Repayments of lease liabilities	(1,037)	(1,256)
Other, net	28	60
Net cash provided by (used in) financing activities	4,343	(3,808)
Effect of exchange rate change on cash and cash equivalents	1,322	796
Net increase (decrease) in cash and cash equivalents	817	(6,694)
Cash and cash equivalents at beginning of period	33,379	37,498
Cash and cash equivalents at end of period	34,196	30,804

(4) Notes to Consolidated Financial Statements

(Notes Relating to Going Concern Assumption)

Not applicable

(Significant Changes in Shareholders' Equity)

Not applicable

(Additional Information)

(Consolidated Subsidiary's Arbitration Proceedings)

OKI's consolidated subsidiary in China, OKI Banking Systems (Shenzhen) Co., Ltd. (hereafter, "OBSZ"), filed an arbitration application against Shenzhen Yihua Computer Industrial Co., Ltd. (hereafter, "Yihua Industrial") with the South China International Economic and Trade Arbitration Commission on October 10, 2015. This was in pursuit of an outstanding receivable of RMB1,115,463 thousand (equivalent to JPY22,253 million at the end of the first quarter for the fiscal year ending March 31, 2024) and for damages (referred to as "Case A"). In addition, OBSZ filed a lawsuit against Yihua Industrial's parent company, Shenzhen Yihua Computer Co., Ltd. (hereafter, "Yihua Computer") in the Guangdong Provincial High People's Court. This suit (referred to as "Case B") aimed to hold Yihua Computer jointly and severally liable for the aforementioned debt, alleging that they are effectively the same entity as Yihua Industrial. Along with this, OBSZ applied for asset preservation.

Later, regarding Case A, on December 16, 2020, the South China International Economic and Trade Arbitration Commission ruled that Yihua Industrial should pay OBSZ an unpaid amount of RMB1,096,866 thousand (equivalent to JPY21,882 million at the end of the first quarter for the fiscal year ending March 31, 2024), inclusive of late fees and attorney costs, and this arbitration has been finalized. Furthermore, concerning Case B, on December 23, 2021, the Guangdong Provincial High People's Court ruled that Yihua Computer, among others, shares joint and several liability for the payments owed by Yihua Industrial to OBSZ. Responding to this, Yihua Computer appealed the decision to the Supreme People's Court on January 5, 2022. However, on June 1, 2023, the Supreme People's Court upheld the initial judgment and dismissed the appeal.

Taking into account the developments in these legal proceedings and considering the potential for enforced collection measures against Yinhua Computer, etc., OBSZ has recorded a long-term operating receivable of RMB822,281 thousand (equivalent to JPY16,404 million at the end of the first quarter for the fiscal year ending March 31, 2024). Of this amount, a doubtful accounts provision of RMB16,042 thousand (equivalent to JPY320 million at the end of the first quarter for the fiscal year ending March 31, 2024) has been recognized, based on the assessment that a portion of the receivable might be uncollectible. Due to these events, during the first quarter for the fiscal year ending March 31, 2024, an amount of JPY4,277 million from the doubtful accounts provision has been reversed and treated as a reduction in selling, general and administrative expenses.

(Segment Information, etc.)

I First quarter of the fiscal year ended March 31, 2023 (From April 1, 2022 to June 30, 2022)

Information about amounts of net sales, profit and loss by reportable segment

(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	19,349	23,289	19,177	16,196	78,013	113	78,127	—	78,127
Intersegment net sales or transfers	411	214	1,242	204	2,072	4,069	6,141	(6,141)	—
Total	19,760	23,504	20,419	16,400	80,085	4,183	84,268	(6,141)	78,127
Segment income (loss)	(346)	(1,575)	(112)	77	(1,956)	139	(1,816)	(1,184)	(3,001)

Notes: 1. “Others” consists of businesses not included in the reportable segments, such as provision of services, etc.

2. The ¥(1,184) million adjustment to segment income or loss includes the elimination of intersegment transactions of ¥188 million, corporate expenses not allocated to each reportable segment of ¥(1,356) million, and an adjustment to fixed assets of ¥16 million. Corporate expenses consist mainly of general and administrative expenses and R&D expenses that are not attributable to the reportable segments.

3. Segment income or loss is adjusted with operating loss recorded on the consolidated statements of income.

II First quarter of the fiscal year ending March 31, 2024 (From April 1, 2023 to June 30, 2023)

1. Information about amounts of net sales, profit and loss by reportable segment

(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	19,310	27,363	17,047	17,703	81,424	100	81,525	—	81,525
Intersegment net sales or transfers	248	805	1,337	154	2,546	2,218	4,765	(4,765)	—
Total	19,558	28,169	18,384	17,858	83,970	2,319	86,290	(4,765)	81,525
Segment income (loss)	(148)	1,893	(756)	564	1,553	(140)	(1,413)	(1,424)	(10)

Notes: 1. “Others” consists of businesses not included in the reportable segments, such as provision of services, etc.

2. The ¥(1,424) million adjustment to segment income or loss includes the elimination of intersegment transactions of ¥121 million, corporate expenses not allocated to each reportable segment of ¥(1,562) million, and an adjustment to fixed assets of ¥16 million. Corporate expenses consist mainly of general and administrative expenses and R&D expenses that are not attributable to the reportable segments.

3. Segment income or loss is adjusted with operating loss recorded on the consolidated statements of income.

2. Matters related to changes in reportable segments

From the first quarter for the fiscal year ending March 31, 2024, in line with our new business structure focused on streamlining the scale of operations, optimizing the value chain, and strengthening business management, we have reorganized into four segments: Public Solutions, Enterprise Solutions, Component Products, and EMS.

Please note that the segment information for the first quarter for the fiscal year ended March 31, 2023 has been disclosed based on the classifications of the reorganized reporting segments.