Consolidated Financial Results
for the Third Quarter of the Fiscal Year Ending March 2025
(Under IFRS)

February 7, 2025

Company name: KOKUSAI ELECTRIC CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 6525
URL: https://www.kokusai-electric.com/
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Scheduled date to commence dividend payments: –
Preparation of supplementary materials on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded to millions.)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Income before income tax		Net income	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	174,665	32.7	39,714	65.0	39,183	65.9	26,057	55.8
December 31, 2023	131,661	(29.1)	24,062	(46.4)	23,614	(47.5)	16,727	(47.7)

	Net income attributable to owners of the parent		Comprehensive income		Basic earnings per share	Diluted earnings per share
Nine months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
December 31, 2024	26,057	55.8	25,783	39.9	111.71	110.03
December 31, 2023	16,727	(47.7)	18,433	(43.8)	72.54	70.11

	Adjusted operating profit	Adjusted net income	Adjusted net income per share
Nine months ended	Millions of yen	Millions of yen	Yen
December 31, 2024	44,557	31,253	133.98
December 31, 2023	29,049	20,187	87.54

Notes
1. Adjusted operating profit is calculated as operating profit – other income + other expenses + purchase price allocation amortization + stand-alone related expenses + stock-based compensation (except for performance-linked stock compensation).
2. Adjusted net income is calculated as net income – other income + other expenses + purchase price allocation amortization + stand-alone related expenses + stock-based compensation (except for performance-linked stock compensation) – tax adjustments to total adjustments + extraordinary tax expenses.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
December 31, 2024	366,400	187,901	187,901	51.3
March 31, 2024	375,433	187,388	187,388	49.9

2. Cash dividends

	Annual dividends per share				
	1Q end	2Q end	3Q end	4Q end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	0.00	–	11.00	11.00
Fiscal year ended March 31, 2025	–	18.00	–		
Fiscal year ending March 31, 2025 (Forecast)				18.00	36.00

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Forecasts of consolidated financial results for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Income before income tax		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	238,000	31.6	50,200	63.3	50,100	68.4	33,300	48.8	33,300	48.8	142.30

	Adjusted operating profit		Adjusted net income		Adjusted net income per share
	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	56,600	49.6	39,600	45.1	169.23

Note: Revisions to the forecast of financial results most recently announced: No

※ **Notes**

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

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

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of December 30, 2024	236,795,464 shares
As of March 31, 2024	232,928,202 shares

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

As of December 30, 2024	5,058,400 Shares
As of March 31, 2024	- Shares

(iii) Average number of shares outstanding during each of the following period (cumulative from the beginning of the fiscal year)

As of December 30, 2024	233,263,145 shares
As of December 30, 2023	230,603,485 shares

※Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: None

※ Proper use of earnings forecasts, and other special matters

The forward-looking statements herein are based on the Company's expectations, estimations, and forecasts deemed to be reasonable at the date of publication of this document. The forward-looking statements herein include the known and unknown risks, uncertainties and other factors and actual results may be materially different from those discussed or implied in the forward-looking statements. Accordingly, the forward-looking statements herein are inherently not guarantees of future performance and results.

KOKUSAI ELECTRIC CORPORATION

Condensed quarterly consolidated statement of financial position

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	**92,619**	**60,722**
Trade and other receivables	**31,994**	**42,369**
Inventories	**87,682**	**91,019**
Other current assets	**2,619**	**1,923**
Total current assets	**214,914**	**196,033**
Non-current Assets		
Property, plant and equipment	**35,382**	**47,341**
Right-of-use assets	**1,543**	**2,203**
Goodwill	**59,065**	**59,065**
Intangible assets	**56,995**	**52,652**
Other financial assets	**1,652**	**1,501**
Deferred tax assets	**1,403**	**1,290**
Other non-current assets	**4,479**	**6,315**
Total non-current assets	**160,519**	**170,367**
Total assets	**375,433**	**366,400**

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Loans payable	**7,500**	**8,250**
Lease obligations	**519**	**593**
Trade and other payables	**36,667**	**30,328**
Accrued expenses	**10,179**	**9,873**
Other financial liabilities	**268**	**818**
Income tax payable	**5,338**	**8,008**
Provisions	**1,971**	**2,337**
Contract liabilities	**22,719**	**19,822**
Other current liabilities	**2,382**	**2,144**
Total current liabilities	**87,543**	**82,173**
Non-current liabilities		
Loans payable	**84,000**	**79,500**
Lease obligations	**999**	**1,482**
Retirement and severance benefits	**3,153**	**3,139**
Provisions	**132**	**210**
Deferred tax liabilities	**12,138**	**11,859**
Other non-current liabilities	**80**	**136**
Total non-current liabilities	**100,502**	**96,326**
Total liabilities	**188,045**	**178,499**
Equity		
Common stock	**11,262**	**13,523**
Capital surplus	**27,618**	**25,578**
Treasury stock	**-**	**(18,000)**
Retained earnings	**142,448**	**161,204**
Other components of equity	**6,060**	**5,596**
Total equity attributable to owners of the parent	**187,388**	**187,901**
Total equity	**187,388**	**187,901**
Total liabilities and equity	**375,433**	**366,400**

KOKUSAI ELECTRIC CORPORATION

Condensed quarterly consolidated statement of profit or loss

Nine months ended December 31, 2024

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Revenues	**131,661**	**174,665**
Cost of sales	**(75,755)**	**(98,434)**
Gross profit	**55,906**	**76,231**
Selling, general and administrative expenses	**(32,172)**	**(36,640)**
Other income	**425**	**307**
Other expenses	**(97)**	**(184)**
Operating profit	**24,062**	**39,714**
Financial income	**473**	**311**
Financial expenses	**(921)**	**(842)**
Income before income tax	**23,614**	**39,183**
Income tax expenses	**(6,887)**	**(13,126)**
Net income	**16,727**	**26,057**
Net income attributable to:		
Owners of the parent	**16,727**	**26,057**
Net income per share		
Basic (yen)	**72.54**	**111.71**
Diluted (yen)	**70.11**	**110.03**

KOKUSAI ELECTRIC CORPORATION

Condensed quarterly consolidated statement of comprehensive income

Nine months ended December 31, 2024

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net income	**16,727**	**26,057**
Other comprehensive income (OCI)		
Items that may be reclassified into net income		
Cash flow hedges	**(11)**	**(10)**
Foreign currency translation adjustments	**1,717**	**(264)**
Total of items that may be reclassified into net income	**1,706**	**(274)**
Total other comprehensive income	**1,706**	**(274)**
Comprehensive income	**18,433**	**25,783**
Comprehensive income attributable to:		
Owners of the parent	**18,433**	**25,783**

KOKUSAI ELECTRIC CORPORATION

Condensed quarterly consolidated statement of cash flows

Nine months ended December 31, 2024

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Cash flows from operating activities		
Net income	**16,727**	**26,057**
Depreciation and amortization	**8,100**	**9,268**
Income tax expense	**6,887**	**13,126**
Financial income	**(473)**	**(311)**
Financial expenses	**921**	**842**
Increase in inventories	**(18,738)**	**(3,445)**
Decrease (increase) in trade and other receivables	**14,134**	**(10,330)**
Increase (decrease) in trade and other payables	**(14,473)**	**744**
Other	**(9,000)**	**(4,813)**
Subtotal	**4,085**	**31,138**
Interest and dividends received	**224**	**173**
Interest paid	**(633)**	**(795)**
Income taxes paid	**(10,628)**	**(9,858)**
Net cash provided by operating activities	**(6,952)**	**20,658**
Cash flows from investing activities		
Purchase of property, plant and equipment	**(10,360)**	**(23,812)**
Purchase of intangible assets	**(298)**	**(224)**
Other	**22**	**(29)**
Net cash used in investing activities	**(10,636)**	**(24,065)**
Cash flows from financing activities		
Repayment of Loans payable	**(3,000)**	**(3,750)**
Repayment of lease obligations	**(484)**	**(547)**
Dividends paid	**-**	**(6,608)**
Purchase of treasury shares	**-**	**(18,518)**
Other	**216**	**524**
Net cash used in financing activities	**(3,268)**	**(28,899)**
Effect of exchange rate changes on cash and cash equivalents	**1,301**	**409**
Net decrease in cash and cash equivalents	**(19,555)**	**(31,897)**
Cash and cash equivalents at beginning of the year	**106,053**	**92,619**
Cash and cash equivalents at end of the year	**86,498**	**60,722**