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May 14, 2025

To Whom It May Concern

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Representative:	Hiroshi Takahashi Representative Director, President & CEO
Code No.:	6707 (the TSE Prime Market)
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Notice Regarding an Increase in Non-operating Expenses and the Recording of Non-operating Expenses and Extraordinary Losses

The Company announced the recording of non-operating expenses (share of loss of entities accounted for using equity method) in the second quarter of the fiscal year ended March 31, 2025, but the loss increased for the fourth quarter. In the fourth quarter, the Company recorded non-operating expenses (loss on investments in investment partnerships) and extraordinary losses (loss on liquidation of subsidiaries and associates). The details are as follows.

1. Increase in non-operating expenses (share of loss of entities accounted for using equity method)

   As announced in the "Notice of Partial Sale of Shares in Consolidated Subsidiary (Allegro MicroSystems, Inc.) by the Company, Change to Consolidated Subsidiaries and Revision (Withdrawal) of Consolidated Earnings Forecast" dated July 24, 2024, Allegro MicroSystems, Inc. ("Allegro") was excluded as a consolidated subsidiary of the Company and became an equity method affiliate of the Company as a result of the partial sale of the Company's shares in Allegro in the second quarter. As a result of this, share of loss of entities accounted for using equity method of ¥1,953 million was recorded in the second quarter, but for the full year, this loss increased by ¥1,713 million to ¥3,666 million.

2. Fluctuations in non-operating expenses

   As announced in the "Notice of Recording of Non-operating Income and Decrease in Non-operating Expenses (Foreign Exchange Losses)" dated February 7, 2025, limited partnership ("LPS") profits were recorded as gain on investments in investment partnerships, but a loss on investments in investment partnerships of 1,305 million yen was recorded in the fourth quarter as a result of a decrease in the amount of such income recorded due to a decrease in profits from LPS and other factors.

3. Recording of extraordinary losses (loss on liquidation of subsidiaries and associates)

   As announced in the "Announcement Concerning Dissolution of a Consolidated Subsidiary Due to Termination of Production and Sales of Switching Power Supply Products (Former Unit Products)" dated February 6, 2024, the Company announced its withdrawal from business associated with switching power supply product and its intention to dissolve PT. Sanken Indonesia, a consolidated subsidiary that served as the main production base for these products. As a result of this, we recorded a loss on liquidation of subsidiaries and associates of ¥883 million in our full-year financial results.

4. Impact on financial results

   The above details are reflected in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP] announced today.