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Consolidated Financial Results for the Year Ended December 31, 2024 [Japanese GAAP]

February 14, 2025

Company name: SIIX Corp.
Listing: Tokyo
Securities code: 7613
URL: https://www.siix.co.jp
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Scheduled date of annual general meeting of shareholders: March 27, 2025
Scheduled date to commence dividend payments: March 28, 2025
Scheduled date to file annual securities report: March 27, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	302,314	(2.4)	8,559	(30.2)	8,288	(30.0)	3,754	(54.1)
December 31, 2023	309,768	11.8	12,254	37.2	11,849	42.1	8,185	72.9

(Note) Comprehensive income: Fiscal year ended December 31, 2024: ¥ 13,814 million [0.5%]
Fiscal year ended December 31, 2023: ¥ 13,741 million [10.8%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2024	79.75	79.67	4.0	3.8	2.8
December 31, 2023	173.56	173.38	9.9	5.6	4.0

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended December 31, 2024: ¥ (19) million
Fiscal year ended December 31, 2023: ¥ 26 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	217,484	101,033	46.2	2,132.96
December 31, 2023	216,838	89,545	41.1	1,891.52

(Reference) Equity: As of December 31, 2024: ¥ 100,436 million
As of December 31, 2023: ¥ 89,041 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	23,097	(9,088)	(12,320)	21,769
December 31, 2023	19,796	(10,392)	(5,989)	18,059

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
December 31, 2023	-	16.00	-	28.00	44.00	2,071	25.4	2.5
December 31, 2024	-	24.00	-	24.00	48.00	2,260	60.2	2.4
Fiscal year ending December 31, 2025 (Forecast)	-	24.00	-	24.00	48.00		-	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		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	300,000	(0.8)	8,500	(0.7)	7,500	(9.5)	5,200	38.5	110.43

(Note) The Company discloses consolidated financial results forecast only for full year as it manages financial results on an annual basis.

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 (Company name: Renzoku Biologics Inc.)

Excluded: - (Company name:)

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

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

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

December 31, 2024: 50,400,000 shares

December 31, 2023: 50,400,000 shares

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

December 31, 2024: 3,311,857 shares

December 31, 2023: 3,325,625 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended December 31, 2024: 47,084,149 shares

Fiscal Year ended December 31, 2023: 47,163,380 shares

(Note) For the number of shares used as the basis for the calculation of basic earnings per share (consolidated), please refer to (Per share information) on page 22 of the attachment.

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	98,726	(12.9)	1,341	(28.1)	7,210	63.4	1,588	(16.3)
December 31, 2023	113,320	14.1	1,865	60.5	4,411	71.3	1,898	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2024	33.74	33.70
December 31, 2023	40.26	40.22

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	74,347	18,081	24.2	382.77
December 31, 2023	72,638	18,840	25.9	399.00

(Reference) Equity: As of December 31, 2024: ¥ 18,023 million
As of December 31, 2023: ¥ 18,782 million

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

*Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in this material are based on information currently available to the Company and on certain assumptions deemed to be reasonable, and actual business and other results may differ substantially due to various factors. Please refer to “(4) Future Outlook” in “1. Overview of Operating Results” on page 5 of the attachment for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Overview of Operating Results

(1) Overview of Operating Results for the Fiscal Year under Review

Looking back on the economic environment during the fiscal year under review, in the United States, although personal consumption and the non-manufacturing industries remain steady, the manufacturing industries are slowing down due to factors such as the prolonged production adjustment. In Europe, the economy is in a recovery phase due to factors such as a pickup in personal consumption; however, the outlook is uncertain mainly due to the slump in the manufacturing industry and political factors. In Asia, although exports are on a recovery track in China, the continued downward trend in personal consumption and the real estate slump are putting downward pressure on the economy. In other Asian countries, exports are increasing and consumer spending is on a recovery track mainly due to the eased inflationary pressures. In Japan, the economy is being supported by an increase in exports of goods in response to global demand for semiconductors. The electronics market to which the Group relates, has weakened slightly due to the slowdown in the Chinese economy and a decline in capital investment demand, despite an improvement in the supply-demand balance in the prolonged shortage of semiconductors. However, we recognize that this is a market where the needs for electrification of automobiles and industrial equipment will further expand as measures against climate change and decarbonization over the medium to long term, as technological innovations such as CASE and IoT progress. In this environment, the Group aims to expand transactions with major global companies, both Japanese and non-Japanese.

Under these circumstances, net sales for the Company's consolidated fiscal year under review were 302,314 million yen, a decrease of 7,454 million yen (2.4%) year on year. In terms of profit, operating profit was 8,559 million yen, a decrease of 3,695 million yen (30.2%) year on year, and ordinary profit was 8,288 million yen, a decrease of 3,560 million yen (30.0%) year on year. Profit attributable to owners of parent was 3,754 million yen, a decrease of 4,431 million yen (54.1%) year on year.

The Company's average exchange rates of the yen against major currencies for the fiscal year under review are as follows: U.S. Dollar: 151.48 yen (down 7.9% year on year), Euro: 163.90 yen (down 8.0% year on year), Chinese Yuan: 21.02 yen (down 6.2% year on year), and Thai Baht: 4.31 (down 6.9% year on year).

The analysis of performance for the fiscal year under review is described in the performances and contributing factors of each business segment.

Performances and contributing factors of each business segment are as follows. "Segment profit (loss)" is based on operating profit in the consolidated statement of income.

(Japan)

Net sales in this segment were 98,726 million yen, a decrease of 14,593 million yen (12.9%) year on year, mainly due to a decrease in shipment of components for home appliances and industrial equipment.

Segment profit was 1,341 million yen, a decrease of 523 million yen (28.1%) year on year, mainly due to a decrease in net sales.

(China)

Net sales in this segment were 82,708 million yen, a decrease of 10,368 million yen (11.1%) year on year, mainly due to a decrease in shipment of components for automotive-related equipment and industrial equipment.

Segment profit was 27 million yen, a decrease of 938 million yen (97.2%) year on year, mainly due to deterioration in production efficiency associated with a decrease in net sales.

(ASEAN)

Net sales in this segment were 114,952 million yen, a decrease of 7,276 million (6.0%) year on year, mainly due to a decrease in shipment of components for information devices and industrial equipment.

Segment profit was 4,358 million yen, a decrease of 1,347 million yen (23.6%) year on year, mainly due to a decrease in net sales.

(Europe)

Net sales in this segment were 26,761 million yen, an increase of 3,186 million yen (13.5%) year on year, mainly due to an increase in shipment of components for automotive-related equipment.

Partly due to a decline in production efficiency resulting from reduced requirements from some customers and a prolonged surge in resource and other prices caused by the invasion of Ukraine, this segment recorded a segment loss of 1,224 million yen (segment loss of 678 million yen in the previous fiscal year).

(Americas)

Net sales in this segment were 75,852 million yen, an increase of 2,707 million (3.7%) year on year, mainly due to an increase in shipment of components for automotive-related equipment.

Segment profit was 4,180 million yen, an increase of 514 million yen (14.0%) year on year, mainly due to an increase in net sales.

(2) Overview of Financial Position for the Fiscal Year under Review

(Assets)

Total assets increased by 646 million yen (0.3%) from the end of the previous fiscal year to 217,484 million yen.

Current assets were 156,211 million yen, a decrease of 1,410 million yen (0.9%) from the end of the previous fiscal year. This was mainly due to increases of 4,574 million yen (25.1%) in cash and deposits, 1,233 million yen (2.0%) in notes and accounts receivable - trade, and contract assets from operating activities, and a decrease of 7,764 million yen (10.8%) in inventories.

Non-current assets were 61,273 million yen, an increase of 2,057 million yen (3.5%) from the end of the previous fiscal year. This was mainly due to increases of 939 million yen (1,244.9%) in intangible assets as a result of purchase of intellectual property rights related to contract development and manufacturing business of bio-antibody drugs and 836 million yen (41.4%) in investments in associated companies.

(Liabilities)

Total liabilities decreased by 10,840 million yen (8.5%) from the end of the previous fiscal year to 116,451 million yen.

Current liabilities were 78,469 million yen, a decrease of 10,184 million yen (11.5%) from the end of the previous fiscal year. This was mainly due to a decrease of 11,716 million yen (41.7%) in short-term borrowings.

Non-current liabilities were 37,981 million yen, a decrease of 656 million yen (1.7%) from the end of the previous fiscal year. This was mainly due to an increase of 5,000 million yen (50.0%) in bonds payable and a decrease of 5,660 million yen (25.6%) in long-term borrowings.

(Net assets)

Net assets were 101,033 million yen, an increase of 11,487 million yen (12.8%) from the end of the previous fiscal year. This was mainly due to increases of 10,362 million yen (51.5%) in foreign currency translation adjustment associated with exchange rate fluctuations and 1,306 million yen (1.9%) in retained earnings.

As a result, the capital-to-asset ratio increased from 41.1% to 46.2%.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (hereinafter, "net cash") at the end of the fiscal year under review were 21,769 million yen, an increase of 3,710 million yen (20.5%) from the end of the previous fiscal year.

The status and contributing factors of each cash flow are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 23,097 million yen (net cash of 19,796 million yen was provided in the previous fiscal year). This was mainly due to profit before income taxes of 5,966 million yen, depreciation of 9,780 million yen, and a decrease in inventories of 13,731 million yen, despite a decrease in trade payables of 4,928 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 9,088 million yen (net cash of 10,392 million yen was used in the previous fiscal year). This was mainly due to purchase of property, plant and equipment of 6,476 million yen associated with capital investments conducted at overseas production bases.

(Cash flows from financing activities)

Net cash used in financing activities was 12,320 million yen (net cash of 5,989 million yen was used in the previous fiscal year). This was mainly due to net decrease in short-term borrowings of 12,229 million yen and repayments of long-term borrowings of 7,408 million yen, despite proceeds from issuance of bonds of 9,950 million yen.

(Reference) Trends in cash flow indicators

	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Capital-to-asset ratio (%)	38.8	38.8	37.5	41.1	46.2
Capital-to-asset ratio on a market value basis (%)	50.5	39.4	29.4	31.8	26.1
Interest-bearing debt to cash flow ratio (years)	3.2	–	10.3	3.2	2.5
Interest coverage ratio (times)	34.9	–	7.6	13.2	15.7

(Note) Calculation method for each indicator

- Capital-to-asset ratio: equity capital / total assets
- Capital-to-asset ratio on a market value basis: market capitalization / total assets
- Interest-bearing debt to cash flow ratio: interest-bearing debt ((beginning of the fiscal year + end of the fiscal year) / 2) / operating cash flow
- Interest coverage ratio: operating cash flow / interest payments

1. Each indicator is calculated based on financial figures on a consolidated basis.
2. Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the total number of issued shares at the end of the fiscal year (excluding treasury shares).
3. Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet for which interest is paid. Cash flows from operating activities in the consolidated statement of cash flows are used for operating cash flow.
4. For interest payments, the amount of interest paid in the consolidated statement of cash flows is used.
5. As operating cash flow was negative for the fiscal year ended December 31, 2021, interest-bearing debt to cash flow ratio and interest coverage ratio are not stated.

(4) Future Outlook

Regarding the outlook for the global economy in fiscal 2025, in Americas, the corporate sector is expected to remain firm due to deregulation by the new administration and gradual monetary easing; however, the impact of external policies such as import tariffs needs to be closely monitored. On the other hand, positive growth is expected to be maintained mainly in the personal sector due to favorable employment conditions and an increase in real income. Meanwhile, in Europe, there are concerns about prolonged geopolitical risks due to Russia's invasion of Ukraine. In China, the situation is expected to remain highly uncertain, as there are concerns that an economic slowdown and other factors may affect the global economy.

On the other hand, in the business fields to which the Company relates, as customers' needs for various electrification are increasing, the Company expects solid sales mainly in the automotive-related equipment sector. As a result, the Company forecasts net sales of 300,000 million yen (down 0.8% year on year), operating profit of 8,500 million yen (down 0.7% year on year), ordinary profit of 7,500 million yen (down 9.5% year on year), and profit attributable to owners of parent of 5,200 million yen (up 38.5% year on year). The full-year business performance forecast is based on an exchange rate of 149 yen to the U.S. dollar.

(5) Basic Policy on Distribution of Profits and Dividends for the Fiscal Year under Review and the Next Fiscal Year

The Company's basic policy is to distribute profits to shareholders in a continuous and stable manner, while determining the amount of dividends, also taking into consideration factors such as the enhancement of internal reserves for future business development and the strengthening of the management foundation.

With regard to the dividends of surplus for the fiscal year under review, the Company already paid an interim dividend of 24.00 yen per share at the end of the second quarter, and plans to pay a year-end dividend of 24.00 yen per share, making the annual dividend 48.00 yen per share. For the next fiscal year, the Company plans to pay an annual dividend of 48.00 yen in total, consisting of 24.00 yen per share to be paid at the end of the second quarter and 24.00 yen per share to be paid at the end of the fiscal year.

2. Status of the Corporate Group

The Group consists of the Company, 22 subsidiaries and 13 affiliates, and is primarily engaged in the procurement of electronic components and other materials, EMS (electronics manufacturing services), distribution, and other services on a global basis. The Group classifies the regions in which these business activities are conducted into five reportable segments: Japan, China, ASEAN, Europe, and Americas, based on the system of regional business execution responsibility that serves as the basis for management decision-making and performance evaluation.

The positioning of the Group's reportable segments and major affiliates in each business is as follows.

Name	Address	Share capital or investments in capital	Description of principal business	Ratio of voting rights held (%)
(Consolidated subsidiaries)				
SIIX (Shanghai) Co., Ltd.	Shanghai, China	1,000 Chinese Yuan 53,704	Export, import, and sales of electronic components, etc.	100.00
SIIX EMS (Shanghai) Co., Ltd.	Shanghai, China	1,000 Chinese Yuan 310,357	Manufacture of electronic circuits and equipment	91.81
SIIX HUBEI Co., Ltd.	Hubei, China	1,000 Chinese Yuan 336,135	Manufacture of electronic circuits and equipment	100.00
SIIX EMS (DONG GUAN) Co., Ltd.	Guangdong, China	1,000 Chinese Yuan 133,951	Manufacture of electronic circuits and equipment	100.00 (100.00)
SIIX H.K. Ltd.	Hong Kong, China	1,000 Hong Kong dollars 4,000	Export, import, and sales of electronic components, etc.	100.00
SIIX TWN Co., Ltd.	Taipei, Taiwan	1,000 Taiwan dollars 5,000	Export, import, and sales of electronic components, etc.	100.00
SIIX Singapore Pte. Ltd.	Singapore	1,000 U.S. dollars 31,144	Export, import, and sales of electronic components, etc.	100.00
Thai SIIX Co., Ltd.	Samut Prakan, Thailand	1,000 Thai baht 2,092,506	Manufacture of electronic circuits and equipment	100.00
SIIX Phils., Inc.	Laguna, Philippines	1,000 Philippine pesos 29,700	Sale of automotive components, chemical products, etc.	100.00
SIIX EMS PHILIPPINES, INC.	Laguna, Philippines	1,000 U.S. dollars 43,351	Manufacture of electronic circuits and equipment	100.00
SIIX REALTY HOLDINGS INC.	Laguna, Philippines	1,000 Philippine pesos 2,000	Lease of land to manufacturing subsidiaries, etc.	40.03 (40.03)
PT SIIX Electronics Indonesia	Batam, Indonesia	1,000 U.S. dollars 1,980	Manufacture of electronic circuits and equipment	100.00 (100.00)
PT. SIIX Trading Indonesia	Karawang Regency, West Java, Indonesia	1,000 U.S. dollars 2,300	Export, import, and sales of electronic components, etc.	100.00 (100.00)
PT. SIIX EMS INDONESIA	Karawang Regency, West Java, Indonesia	1,000 U.S. dollars 14,001	Manufacture of electronic circuits and equipment	100.00 (100.00)
SIIX MALAYSIA SDN. BHD.	Malaysia Kuala Lumpur	1,000 Malaysian ringgit 1,000	Export, import, and sales of electronic components, etc.	100.00
SIIX Europe GmbH	Willich, Germany	1,000 Euro 1,022	Export, import, and sales of electronic components, etc.	100.00
SIIX EMS Slovakia s.r.o.	Nitra, Slovakia	1,000 Euro 3,634	Manufacture of electronic circuits and equipment	100.00

Name	Address	Share capital or investments in capital	Description of principal business	Ratio of voting rights held (%)
SIIX Hungary Kft.	Nagykőrös, Hungary	1,000 Euro 1,004	Manufacture of electronic circuits and equipment	100.00
SIIX U.S.A. Corp.	Illinois, U.S.A.	1,000 U.S. dollars 46,000	Export, import, and sales of electronic components, etc.	100.00
SIIX EMS MEXICO S de RL de C.V	San Luis Potosi, Mexico	1,000 U.S. dollars 59,405	Manufacture of electronic circuits and equipment	100.00 (100.00)
SIIX Electronics Co., Ltd.	Midori-ku, Sagamihara-shi, Kanagawa	Million yen 290	Manufacture of electronic circuits and equipment, technology development and technical support	100.00
Renzoku Biologics Inc.	Chiyoda-ku, Tokyo	Million yen 100	Contract development and manufacturing of bio-antibody drugs, etc.	96.00

Name	Address	Share capital or investments in capital	Description of principal business	Ratio of voting rights held (%)
(Equity method affiliates)				
Hefei Midea-SIIX Electronics Co., Ltd.	Anhui, China	1,000 Chinese Yuan 80,000	Manufacture of electronic circuit boards for commercial air conditioners, etc.	25.00 (25.00)
Guangdong Midea-SIIX Electronics Co., Ltd.	Guangdong, China	1,000 Chinese Yuan 50,000	Manufacture of electronic circuit boards for commercial air conditioners, etc.	25.00 (25.00)
KAWASAKI MOTORS (PHILS.) CORPORATION	Muntinlupa, Metro Manila, Philippines	1,000 Philippine pesos 101,430	Assembly and sales of motorcycles	20.06

(Notes) 1. The figures in parentheses in the "Ratio of voting rights held" column indicate indirect ownership (included in the number of voting rights).

2. Renzoku Biologics Inc. is included in the scope of consolidation as the Company subscribed to a third-party allotment of new shares to the Company conducted by Renzoku Biologics Inc. as of March 11, 2024.

(Non-consolidated subsidiaries)		(Major affiliates)	
SIIX VIETNAM COMPANY LIMITED	Vietnam	Takaya SIIX Electronics (Shanghai) Co., Ltd.	China
SIIX INDIA PRIVATE LIMITED	India	Bando SIIX Ltd.	Hong Kong
SIIX MEXICO, S.A DE C.V.	Mexico	SIIX-AGT MEDTECH PTE. LTD.	Singapore
SIIX do Brasil Ltda.	Brazil	SIIX-ORIENT TECHNOLOGY PTE. LTD.	Singapore
		DELSA, INC.	Philippines

3. Basic Policy on the Selection of Accounting Standards

The Group's policy is to prepare consolidated financial statements in accordance with the Japanese standards for the time being, taking into consideration the comparability of consolidated financial statements between periods and between companies.

With regard to the adoption of International Financial Reporting Standards (IFRS), the Company will take appropriate measures in consideration of various circumstances in Japan and overseas.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	18,241	22,816
Notes and accounts receivable - trade, and contract assets	60,432	61,665
Merchandise and finished goods	25,379	23,642
Work in process	2,966	2,319
Raw materials and supplies	43,562	38,182
Other	7,117	7,692
Allowance for doubtful accounts	(79)	(107)
Total current assets	157,621	156,211
Non-current assets		
Property, plant and equipment		
Buildings and structures	34,827	40,270
Accumulated depreciation	(14,334)	(17,606)
Buildings and structures, net	20,493	22,663
Machinery, equipment and vehicles	64,244	71,582
Accumulated depreciation	(47,257)	(55,523)
Machinery, equipment and vehicles, net	16,986	16,059
Tools, furniture and fixtures	5,353	6,125
Accumulated depreciation	(3,983)	(4,571)
Tools, furniture and fixtures, net	1,370	1,553
Land	4,842	5,118
Construction in progress	2,911	904
Other	4,454	5,152
Accumulated depreciation	(2,031)	(2,544)
Other, net	2,423	2,607
Total property, plant and equipment	49,026	48,907
Intangible assets		
Software	2,042	1,516
Goodwill	-	94
Other	75	1,015
Total intangible assets	2,118	2,626
Investments and other assets		
Investment securities	2,306	2,427
Investments in capital	1,214	1,804
Long-term loans receivable	50	45
Retirement benefit asset	473	529
Deferred tax assets	2,464	3,000
Other	1,653	2,026
Allowance for doubtful accounts	(91)	(94)
Total investments and other assets	8,070	9,739
Total non-current assets	59,216	61,273
Total assets	216,838	217,484

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	43,262	41,000
Short-term borrowings	28,103	16,386
Income taxes payable	2,627	1,582
Contract liabilities	3,980	2,990
Current portion of bonds payable	-	5,000
Other	10,680	11,510
Total current liabilities	88,653	78,469
Non-current liabilities		
Bonds payable	10,000	15,000
Long-term borrowings	22,139	16,479
Retirement benefit liability	809	925
Deferred tax liabilities	3,429	3,419
Other	2,258	2,157
Total non-current liabilities	38,638	37,981
Total liabilities	127,292	116,451
Net assets		
Shareholders' equity		
Share capital	2,144	2,144
Capital surplus	5,581	5,579
Retained earnings	67,273	68,579
Treasury shares	(6,185)	(6,157)
Total shareholders' equity	68,813	70,145
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	138	(141)
Foreign currency translation adjustment	20,128	30,491
Remeasurements of defined benefit plans	(37)	(58)
Total accumulated other comprehensive income	20,228	30,291
Share acquisition rights	57	57
Non-controlling interests	446	539
Total net assets	89,545	101,033
Total liabilities and net assets	216,838	217,484

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	309,768	302,314
Cost of sales	278,917	273,706
Gross profit	30,850	28,607
Selling, general and administrative expenses	18,595	20,047
Operating profit	12,254	8,559
Non-operating income		
Interest income	550	749
Dividend income	130	87
Share of profit of entities accounted for using equity method	26	-
Subsidy income	163	246
Proceeds from sales of goods	201	230
Gain on sale of scraps	210	199
Other	440	817
Total non-operating income	1,723	2,330
Non-operating expenses		
Interest expenses	1,485	1,508
Share of loss of entities accounted for using equity method	-	19
Foreign exchange losses	155	421
Expenses for purchases of goods	69	107
Other	418	542
Total non-operating expenses	2,129	2,600
Ordinary profit	11,849	8,288
Extraordinary income		
Gain on reversal of share acquisition rights	3	0
Total extraordinary income	3	0
Extraordinary losses		
Loss on valuation of investment securities	-	27
Loss on business restructuring	-	2,295
Total extraordinary losses	-	2,323
Profit before income taxes	11,852	5,966
Income taxes - current	3,639	2,659
Income taxes - deferred	31	(407)
Total income taxes	3,671	2,252
Profit	8,181	3,713
Loss attributable to non-controlling interests	(4)	(41)
Profit attributable to owners of parent	8,185	3,754

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Profit	8,181	3,713
Other comprehensive income		
Valuation difference on available-for-sale securities	(209)	(280)
Foreign currency translation adjustment	5,733	10,257
Remeasurements of defined benefit plans, net of tax	(27)	(76)
Share of other comprehensive income of entities accounted for using equity method	63	199
Total other comprehensive income	5,560	10,101
Comprehensive income	13,741	13,814
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,726	13,817
Comprehensive income attributable to non-controlling interests	15	(2)

Consolidated Statements of Changes in Equity

For the fiscal year ended December 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,144	5,594	60,389	(5,866)	62,261
Changes during period					
Dividends of surplus			(1,510)		(1,510)
Profit attributable to owners of parent			8,185		8,185
Purchase of treasury shares				(361)	(361)
Disposal of treasury shares		(12)		43	30
Change in scope of consolidation			72		72
Change in scope of equity method			135		135
Net changes in items other than shareholders' equity					
Total changes during period	-	(12)	6,883	(318)	6,551
Balance at end of period	2,144	5,581	67,273	(6,185)	68,813

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	347	14,276	6	14,630	67	430	77,389
Changes during period							
Dividends of surplus							(1,510)
Profit attributable to owners of parent							8,185
Purchase of treasury shares							(361)
Disposal of treasury shares							30
Change in scope of consolidation	(0)	3	30	33			105
Change in scope of equity method		54		54			189
Net changes in items other than shareholders' equity	(209)	5,794	(74)	5,510	(9)	15	5,516
Total changes during period	(209)	5,852	(44)	5,598	(9)	15	12,156
Balance at end of period	138	20,128	(37)	20,228	57	446	89,545

For the fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,144	5,581	67,273	(6,185)	68,813
Changes during period					
Dividends of surplus			(2,448)		(2,448)
Profit attributable to owners of parent			3,754		3,754
Disposal of treasury shares		(2)		28	26
Change in scope of consolidation					-
Net changes in items other than shareholders' equity					
Total changes during period	-	(2)	1,306	28	1,332
Balance at end of period	2,144	5,579	68,579	(6,157)	70,145

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	138	20,128	(37)	20,228	57	446	89,545
Changes during period							
Dividends of surplus							(2,448)
Profit attributable to owners of parent							3,754
Disposal of treasury shares							26
Change in scope of consolidation						95	95
Net changes in items other than shareholders' equity	(280)	10,362	(20)	10,062	(0)	(2)	10,059
Total changes during period	(280)	10,362	(20)	10,062	(0)	92	11,487
Balance at end of period	(141)	30,491	(58)	30,291	57	539	101,033

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	11,852	5,966
Depreciation	8,928	9,780
Increase (decrease) in allowance for doubtful accounts	13	23
Interest and dividend income	(681)	(836)
Interest expenses	1,485	1,508
Foreign exchange losses (gains)	(530)	(564)
Share of loss (profit) of entities accounted for using equity method	(26)	19
Decrease (increase) in accounts receivable - trade, and contract assets	(2,741)	2,593
Decrease (increase) in inventories	6,175	13,731
Decrease (increase) in consumption taxes refund receivable	790	(308)
Increase (decrease) in trade payables	(362)	(4,928)
Increase (decrease) in contract liabilities	150	(1,342)
Other, net	(1,192)	1,054
Subtotal	23,861	26,694
Interest and dividends received	753	830
Interest paid	(1,505)	(1,470)
Income taxes paid	(3,313)	(2,956)
Net cash provided by (used in) operating activities	19,796	23,097
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,997)	(6,476)
Proceeds from sale of property, plant and equipment	95	270
Purchase of intangible assets	(331)	(1,251)
Loan advances	(39)	(22)
Proceeds from collection of loans receivable	54	33
Purchase of investment securities	(300)	(118)
Purchase of shares of subsidiaries and associates	-	(644)
Subsidies received	158	116
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(175)
Other, net	(31)	(819)
Net cash provided by (used in) investing activities	(10,392)	(9,088)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(9,681)	(12,229)
Proceeds from long-term borrowings	14,061	86
Repayments of long-term borrowings	(7,830)	(7,408)
Proceeds from issuance of bonds	-	9,950
Purchase of treasury shares	(361)	-
Dividends paid	(1,509)	(2,448)
Other, net	(668)	(271)
Net cash provided by (used in) financing activities	(5,989)	(12,320)
Effect of exchange rate change on cash and cash equivalents	884	2,022
Net increase (decrease) in cash and cash equivalents	4,298	3,710
Cash and cash equivalents at beginning of period	13,652	18,059
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	108	-
Cash and cash equivalents at end of period	18,059	21,769

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating business performance.

The Group procures, manufactures and sells finished products, assembled products, circuit board mounted products, component units and kits, dies and molded products, etc. mainly related to automotive-related equipment, industrial equipment, home appliances, information devices, general electronic components, etc. The Company is in charge of business in Japan, while overseas, multiple independent local subsidiaries are in charge of businesses in each region of China, ASEAN, Europe, and Americas.

Each subsidiary is an independent management unit, and in order to respond to the overseas business development of client companies, it formulates comprehensive strategies according to the market characteristics of each region and develops business activities.

Based on the above perspective, the Group has five reportable segments: Japan, China, ASEAN, Europe, and Americas.

2. Calculation method for net sales, profit or loss, assets, liabilities and other items for each reportable segment

The accounting treatment method for reportable segments is based on the accounting policies adopted for the preparation of the consolidated financial statements. Profit of reportable segments is based on operating profit. Inter-segment internal net sales and transfers are based on market prices.

3. Information on net sales, profit or loss, assets, liabilities and other items for each reportable segment

Previous fiscal year (From January 1, 2023 to December 31, 2023)

(Millions of yen)

	Reportable segment						Adjustment (Note 1)	Amount recorded in the consolidated financial statements (Note 2)
	Japan	China	ASEAN	Europe	Americas	Total		
Net sales								
Net sales to external customers	64,614	71,185	92,659	22,195	58,508	309,162	605	309,768
Inter-segment internal net sales or transfers	48,705	21,892	29,569	1,379	14,636	116,183	(116,183)	-
Total	113,320	93,077	122,228	23,575	73,145	425,346	(115,578)	309,768
Segment profit (loss)	1,865	965	5,705	(678)	3,666	11,523	731	12,254
Segment assets	77,140	53,784	77,545	21,661	32,612	262,744	(45,906)	216,838
Other items								
Depreciation	470	2,770	3,373	749	1,345	8,710	218	8,928
Increase in property, plant and equipment and intangible assets	132	1,683	3,891	2,434	750	8,892	235	9,127

(Notes) 1. Adjustments are as follows.

(1) The 605 million yen adjustment in net sales to external customers is sales in the company-wide (common) category.

(2) The (116,183) million yen adjustment in inter-segment internal net sales or transfers is elimination of inter-segment transactions, etc.

(3) The 731 million yen adjustment in segment profit is elimination of inter-segment transactions, etc.

(4) The (45,906) million yen adjustment in segment assets is elimination of inter-segment transactions, etc.

(5) The 218 million yen adjustment in depreciation is elimination of inter-segment transactions, etc.

(6) The 235 million yen adjustment in increase in property, plant and equipment and intangible assets is elimination of inter-segment transactions, etc.

2. Segment profit is adjusted to be consistent with the operating profit in the consolidated statement of income.

Current fiscal year (From January 1, 2024 to December 31, 2024)

(Millions of yen)

	Reportable segment						Adjustment (Note 1)	Amount recorded in the consolidated financial statements (Note 2)
	Japan	China	ASEAN	Europe	Americas	Total		
Net sales								
Net sales to external customers	58,008	61,053	94,148	25,309	63,087	301,607	706	302,314
Inter-segment internal net sales or transfers	40,718	21,654	20,804	1,452	12,764	97,393	(97,393)	–
Total	98,726	82,708	114,952	26,761	75,852	399,001	(96,687)	302,314
Segment profit (loss)	1,341	27	4,358	(1,224)	4,180	8,683	(124)	8,559
Segment assets	84,593	53,533	76,025	19,921	33,632	267,705	(50,220)	217,484
Other items								
Depreciation	498	2,923	3,503	955	1,598	9,478	301	9,780
Increase in property, plant and equipment and intangible assets	167	1,105	2,467	953	653	5,347	1,154	6,502

(Notes) 1. Adjustments are as follows.

(1) The 706 million yen adjustment in net sales to external customers is sales in the company-wide (common) category.

(2) The (97,393) million yen adjustment in inter-segment internal net sales or transfers is elimination of inter-segment transactions, etc.

(3) The (124) million yen adjustment in segment profit is elimination of inter-segment transactions, etc.

(4) The (50,220) million yen adjustment in segment assets is elimination of inter-segment transactions, etc.

(5) The 301 million yen adjustment in depreciation is elimination of inter-segment transactions, etc.

(6) The 1,154 million yen adjustment in increase in property, plant and equipment and intangible assets is the increase in the company-wide (common) category., etc.

2. Segment profit is adjusted to be consistent with the operating profit in the consolidated statement of income.

4. Information on assets for each reportable segment

Previous fiscal year (From January 1, 2023 to December 31, 2023)

As a result of the purchase of production equipment during the fiscal year ended December 31, 2023, segment assets in the Europe segment increased by 6,948 million yen from the end of the previous fiscal year.

Current fiscal year (From January 1, 2024 to December 31, 2024)

Not applicable.

[Related Information]

Previous fiscal year (From January 1, 2023 to December 31, 2023)

1. Information by product and service

(Millions of yen)

	Automotive-related equipment	Industrial equipment	Home appliances	Information devices	General electronic components	Others	Total
Net sales to external customers	192,672	61,600	26,499	24,349	4,099	545	309,768

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Philippines	Thailand	Other Asian countries	Europe	United States	Other countries in the Americas	Others	Total
71,437	63,471	9,803	30,439	28,014	42,946	40,316	22,896	443	309,768

Note: Net sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Philippines	Thailand	Indonesia	Other Asian countries	Hungary	Other European countries	Mexico	Other countries in the Americas	Total
5,008	13,286	3,463	6,172	4,468	909	5,563	1,227	8,826	99	49,026

3. Information by major customer

Not applicable.

Current fiscal year (From January 1, 2024 to December 31, 2024)

1. Information by product and service

(Millions of yen)

	Automotive-related equipment	Industrial equipment	Home appliances	Information devices	General electronic components	Others	Total
Net sales to external customers	197,931	56,293	24,773	18,222	4,568	524	302,314

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Philippines	Thailand	Other Asian countries	Europe	United States	Other countries in the Americas	Others	Total
60,155	54,936	10,825	28,689	32,520	41,616	40,775	26,496	349	296,366

Note: Net sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Philippines	Thailand	Indonesia	Other Asian countries	Hungary	Other European countries	Mexico	Other countries in the Americas	Total
4,832	12,355	3,357	7,556	4,227	1,033	4,570	1,861	9,026	87	48,907

3. Information by major customer

Not applicable.

[Information on impairment losses of non-current assets for each reportable segment]

In the Europe segment, an impairment loss of 443 million yen was recorded for property, plant and equipment and intangible assets.

[Information on amortization and unamortized balance of goodwill for each reportable segment]

Amortization of goodwill of 9 million yen was recorded in the Japan segment. As a result, the unamortized balance at the end of the fiscal year was 94 million yen.

[Information on gain on negative goodwill for each reportable segment]

Not applicable.

(Per share information)

	Previous fiscal year (From January 1, 2023 to December 31, 2023)	Current fiscal year (From January 1, 2024 to December 31, 2024)
Net assets per share	1,891.52 yen	2,132.96 yen
Basic earnings per share	173.56 yen	79.75 yen
Diluted earnings per share	173.38 yen	79.67 yen

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

Item	Previous fiscal year (From January 1, 2023 to December 31, 2023)	Current fiscal year (From January 1, 2024 to December 31, 2024)
Basic earnings per share		
Profit attributable to owners of parent (million yen)	8,185	3,754
Amount not attributable to shareholders of common stock (million yen)	-	–
Profit attributable to owners of parent related to common stock (million yen)	8,185	3,754
Average number of shares of common stock outstanding during the period (shares)	47,163,380	47,084,149
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (million yen)	–	–
Increase in common stock (shares)	49,169	46,643
(of which, share acquisition rights (shares))	(49,169)	(46,643)
Outline of dilutive shares that were not included in the calculation of diluted earnings per share because they have no dilutive effect	–	

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

Item	Previous fiscal year (As of December 31, 2023)	Current fiscal year (As of December 31, 2024)
Total net assets (million yen)	89,545	101,033
Amount to be deducted from total net assets (million yen)	503	596
(of which, share acquisition rights (million yen))	(57)	(57)
(of which non-controlling interests (million yen))	(446)	(539)
Net assets related to common stock at the end of the period (million yen)	89,041	100,436
Number of shares of common stock at the end of the period used for the calculation of net assets per share (shares)	47,074,375	47,088,143

(Significant subsequent events)

Not applicable.