

DAISHINKU CORP.

FINANCIAL RESULTS

Tokyo, May 13, 2025 - Daishinku Corp. today announced its Financial Results for the Year ended March 31, 2025.

1. Operating Results for the years ended March 31, 2024 and 2025

(1) Consolidated operating results (Figures in % are a comparisons with the same period of the previous year.)

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Year ended March 31, 2025	38,620	(1.8)	915	(57.1)	412	(87.1)	285	(84.8)
Year ended March 31, 2024	39,343	2.4	2,135	(49.3)	3,192	(37.5)	1,876	(41.5)

Note: Comprehensive Income Year ended March 31, 2025 ; (147) Yen-million, Year ended March 31, 2024 ; 5,068 Yen-million

	Net income per share	Net income per share after adjustment with potential shares	Return on equity	Ordinary Profit to total assets	Operating Profit to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2025	8.87	-	0.8	0.5	2.4
Year ended March 31, 2024	58.12	-	5.0	3.7	5.4

ref. Investment Profit or Loss on Equity Method As of March 31, 2025 ; -Yen-million, As of March 31, 2024 ; -Yen-million

(2) Consolidated financial status

	Total assets	Net assets	Stockholders' equity ratio	Stockholders' equity per share
	Millions of Yen	Millions of Yen	%	Yen
As of March 31, 2025	89,890	45,219	41.2	1,166.11
As of March 31, 2024	91,064	47,048	42.5	1,199.24

ref. Stockholders' equity : As of March 31, 2025 ; 37,054 Yen-million, As of March 31, 2024 ; 38,708 Yen-million

(3) Consolidated statements of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalent at end
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Year ended March 31, 2025	2,296	(6,307)	(1,708)	18,502
Year ended March 31, 2024	8,243	(3,994)	1,104	24,355

2. Dividends

	Dividends per share					Total amount of dividends (Full Year)	Dividend payout ratio (Consolidated)	Dividend on net assets (Consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual			
(Results)	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
Year ended March 31, 2024	-	14.00	-	14.00	28.00	903	48.2	2.4
Year ended March 31, 2025	-	14.00	-	14.00	28.00	903	315.7	2.4
(Forecast)								
Year ending March 31, 2026	-	14.00	-	14.00	28.00		178.0	

3. Forecast for the fiscal year ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(Figures in % are a comparisons with the same period of the previous year.)

	Net sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Year ending March 31, 2026	41,000	6.2	2,000	118.6	1,000	142.4	500	75.1	15.73

※ Others

(1) Changes for important subsidiaries during this period : None

(2) Changes in accounting policies and changes or restatement of accounting estimates

- | | |
|--|------------|
| 1. Changes in accounting policies related to accounting standard revisions | Applicable |
| 2. Other changes in accounting policies | None |
| 3. Changes in accounting estimates | None |
| 4. Modified restatements | None |

(3) Outstanding shares (Common shares)

- | | | | |
|--|-------------------|-----------------------------|-------------------|
| 1. Number of shares outstanding (including treasury stock) | | | |
| As of March 31, 2025 : | 32,138,881 shares | As of March 31, 2024: | 36,196,968 shares |
| 2. Number of treasury stock | | | |
| As of March 31, 2025: | 362,270 shares | As of March 31, 2024 : | 3,919,393 shares |
| 3. Average number of shares during the period | | | |
| Year ended March 31, 2025 : | 32,208,555 shares | Year ended March 31, 2023 : | 32,278,103 shares |

ref. Summary of Non-consolidated Financial Results

Non-consolidated Results for the years ended March 31, 2024 and 2025

(1) Non-consolidated operating results

(Figures in % are a comparisons with the same period of the previous year.)

	Net sales		Operating Profit		Ordinary Profit		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Year ended March 31, 2025	29,459	0.8	(845)	-	(757)	-	209	(76.0)
Year ended March 31, 2024	29,227	(4.6)	130	(95.3)	1,144	(72.1)	873	(71.5)

	Net income per share	Net income per share after adjustment with potential shares
	Yen	Yen
Year ended March 31, 2025	6.50	-
Year ended March 31, 2024	27.06	-

(2) Non-Consolidated financial status

	Total assets	Net assets	Stockholders' equity ratio	Stockholders' equity per share
	Millions of Yen	Millions of Yen	%	Yen
As of March 31, 2025	65,025	31,714	48.8	998.06
As of March 31, 2024	64,176	33,106	51.6	1,025.68

ref. Stockholders' equity : As of March 31, 2025 ; 31,714 Yen-million, As of March 31, 2024 ; 33,106 Yen-million

* The forecasts are based on assumptions of the future economic environment using the data available at the time of disclosure.
Actual earnings may differ from the forecasts, due to a range of factors.

Overview of Operating Results

(1) Overview of Operating Results for the Fiscal Year ended Mar. 31, 2025

In the global economy, during the consolidated fiscal year (April 1, 2024 to March 31, 2025), recovery in personal consumption was limited, and the pace of economic recovery generally slowed. Capital investment varied from region to region, and geopolitical risks persist at high level, so an outlook remains uncertain, and inflationary pressures began to rise again in many countries from January 2025, driven by U.S. tariff policies. In this environment, DAISHINKU CORP. and its affiliates saw that mainly due to a recovery in the consumer market, especially for PCs and wearable devices, and steady growth in the automotive market. Meanwhile, in the telecommunications market, intensified price competition due to changes in 5G chipsets used in the Chinese smartphone market, and the industrial market remained sluggish, resulting in net sales of 38,620 million yen (down 1.8% year on year). With regard to profits, SG&A expenses increased due to the relocation of the headquarters, operating income reached 915 million yen (down 57.1% year on year). In addition, ordinary income was 412 million yen (down 87.1% year on year) and profit attributable to owners of parent of 285 million yen (down 84.8% year on year).

Operating results by segment are as follows.

(Japan)

In Japan, net sales were 6,971 million yen, a decrease of 810 million yen, or down 10.4%, year on year mainly due to lower net sales in the industrial and consumer markets. Its segment loss was 842 million yen, a decrease of 959 million yen from the previous year (segment profit of 116 million yen in the previous year), mainly due to a decrease in sales and an increase in SG&A expenses, including headquarters relocation expenses.

(North America)

In North America, net sales were 2,450 million yen, an increase of 45 million yen, or up 1.9% year on year, mainly due to higher net sales in the automotive market. Its segment profit was 38 million yen, an increase of 21 million yen, or up 129.6% year on year.

(Europe)

In Europe, net sales were 3,899 million yen, an increase of 66 million yen, or up 1.7% year on year mainly due to higher net sales in the automotive market. Its segment profit was 31 million yen, an increase of 10 million yen, or up 51.5% year on year.

(China)

In China, net sales were 12,652 million yen, an increase of 351 million yen, or up 2.9% year on year mainly due to higher net sales in the consumer market. Its segment profit was 9 million yen, an improvement of 64 million yen from the previous year (segment loss of 55 million yen in the previous year).

(Taiwan)

In Taiwan, net sales were 9,786 million yen, a decrease of 555 million yen, or down 5.4% year on year mainly due to lower net sales in the telecommunications market. Its segment profit was 1,559 million yen, an increase of 473 million yen, or up 43.6% year on year, mainly due to increased production of high value-added products.

(Asia)

In Asia, net sales were 2,860 million yen, an increase of 180 million yen, or up 6.7% year on year mainly due to higher net sales in the telecommunications and consumer markets. Its segment profit was 85 million yen, a decrease of 408 million yen, or down 82.7% year on year due to a deterioration in the product mix.

(2) Overview of Cash Flows for the Current Fiscal Year

The status of consolidated cash flows for the fiscal year ended March 31, 2025 is as follows:

(Cash flows from operating activities)

Cash provided as a result of operating activities amounted to 2,296 million yen. This is mainly due to profit before income taxes.

(Cash flows from investing activities)

Cash used as a result of investing activities amounted to 6,307 million yen. This is mainly due to the purchase of property, plant and equipment.

(Cash flows from financing activities)

Cash obtained as a result of financing activities amounted to 1,708 million yen. This is mainly due to

repayment of long-term borrowings.

As a result, cash and cash equivalents at the end of the fiscal year ended March 31, 2025 decreased by 5,852 million yen from the end of the fiscal year ended March 31, 2024 to 18,502 million yen.

(Reference) Changes in cash-flow-related indicators

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Equity ratio	40.6%	40.7%	42.9%	42.5%	41.2%
Market-value-based equity ratio	29.1%	48.0%	28.1%	28.4%	19.9%
Cash flow to interest- bearing debt ratio	9.7 years	3.2 years	5.3 years	4.1 years	14.7 years
Interest coverage ratio	23.7	66.7	28.0	28.0	7.3

(3) Future Outlook

In the future economic environment, the economic outlook remains uncertain due to factors such as countries' responses to U.S. tariff policies, inflation trends, and ongoing geopolitical risks.

Meanwhile, the crystal device market is expected to experience further growth, driven by semiconductor demand associated with the ongoing progress of digitalization. In particular, from a medium- to long-term perspective, markets such as autonomous driving systems, AI data centers, GPS/GNSS modules, and satellite communications are expected to expand. With the evolution of autonomous driving, vehicles are increasingly becoming "smartphones on wheels," leading to growing demand for crystal devices driven by software updates, redundant system designs, further advancements in ADAS (Advanced Driver-Assistance Systems), and increased electrification. Furthermore, as AI continues to advance, demand for AI data centers requiring high-speed processing is increasing. The adoption of optical transceivers and edge AI is expected to grow, and with the surge in communication data volumes and the need for more stable connectivity, demand for differential output oscillators— a type of high-frequency device— is expected to rise even further. In GPS/GNSS modules, TCXOs are essential for acquiring accurate positioning information. In addition to traditional applications such as drones and smart meters, new uses such as tracking for electric motorcycles are driving increased demand. Furthermore, with the advancement of satellite communication technologies, we also expect growing demand for crystal filters, for which we boast the industry's largest production capacity.

Against this backdrop, the required number of crystal devices is expected to double by 2030. However, it is believed that the supply capacity will approach its limits with traditional designs and manufacturing methods, highlighting the need for new technological innovations. In order to meet these demands, we are advancing several initiatives, including the enlargement of crystal wafers, which are our core technology, the promotion of DX (digital transformation), the development of area-specific sales strategies, and a fundamental review of our products themselves. One of the results of these efforts is our original crystal devices, Arkh series.

As the demand for miniaturization of electronic components increases, conventional designs face various challenges, leading to higher costs and reduced productivity. Arkh series employ photolithography technology, which is also used in semiconductor manufacturing processes, as well as WLP (wafer-level packaging) technology, eliminating the need for externally sourced components such as ceramic packages or conductive adhesives. In particular, Arkh.3G is the world's thinnest product that embodies the ideal of "smaller and lighter means more cost-effective," and ultimately aims to pioneer new markets, including integration into ICs.

Expanding the product lineup is a key element in the development of Arkh series, and we have developed "Arkh.2G," a crystal oscillator that integrates Arkh series crystal resonator and an IC within a ceramic package. Arkh.2G has the same appearance and size as conventional products, making it easy for customers to adopt without resistance. In addition, it is designed to be compatible with existing production equipment, allowing manufacturers to reduce additional investment, making it a cost-effective solution. Leveraging Arkh.2G as a key strength, we aim to deepen our market penetration and drive a product strategy that does not rely solely on existing offerings in the increasingly competitive crystal device market. Furthermore, we are advancing the development of fully automated production using autonomous transport robots, aiming to enhance labor efficiency and optimize manufacturing space, thereby increasing output per unit area. Ultimately, we aim to raise sales ratio of Arkh series to 10%. For existing products, we are working to expand our share of high value-added crystal oscillators, aiming to achieve record-high sales and profits in the final year of our second medium-term business plan.

As a new environmental initiative, we have also begun efforts toward achieving carbon neutrality and realizing a hydrogen-based society. We announced the concept of a DAC (Direct Air Capture) system, “KDS-DAC™,” which efficiently captures CO₂ and produces hydrogen, in April 2025. To realize this new business model, collaboration with partner companies is essential, and we plan to work with companies that have expertise in various fields.

Our company will focus on Arkh series to achieve a balance between stable supply and environmental sustainability, aiming for corporate growth.

Regarding the consolidated performance outlook for the fiscal year ending March 2025, we forecast net sales of 41,000 million yen, operating profit of 2,000 million yen, ordinary profit of 1,000 million yen and profit attributable to owners of parent of 500 million yen. The assumed exchange rate is 1 USD = 140 yen.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Thousands of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Assets		
Current assets		
Cash and deposits	24,539,199	18,707,732
Notes and accounts receivable - trade	9,646,343	9,039,881
Contract assets	114,681	30,799
Merchandise and finished goods	5,168,581	5,180,147
Work in process	6,165,762	6,353,313
Raw materials and supplies	5,080,355	6,492,699
Other	1,661,378	3,141,882
Allowance for doubtful accounts	(13,835)	(12,081)
Total current assets	52,362,467	48,934,375
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,959,555	28,040,197
Accumulated depreciation	(17,942,809)	(18,242,057)
Buildings and structures, net	3,016,746	9,798,139
Machinery, equipment and vehicles	61,469,657	61,908,843
Accumulated depreciation	(49,268,189)	(50,173,881)
Machinery, equipment and vehicles, net	12,201,468	11,734,961
Tools, furniture and fixtures	7,438,486	7,335,890
Accumulated depreciation	(6,092,601)	(6,088,096)
Tools, furniture and fixtures, net	1,345,884	1,247,794
Land	5,964,533	5,962,024
Leased assets	992,673	940,238
Accumulated depreciation	(764,009)	(577,668)
Leased assets, net	228,664	362,570
Construction in progress	8,830,349	5,787,115
Total property, plant and equipment	31,587,646	34,892,605
Intangible assets	1,236,891	990,070
Investments and other assets		
Investment securities	2,925,984	2,759,028
Long-term loans receivable	1,043	899
Retirement benefit asset	1,134,541	1,461,200
Deferred tax assets	637,335	531,987
Other	1,206,512	348,327
Allowance for doubtful accounts	(27,800)	(27,800)
Total investments and other assets	5,877,617	5,073,644
Total non-current assets	38,702,155	40,956,320
Total assets	91,064,623	89,890,695

(Unit: Thousands of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,617,382	3,378,663
Short-term borrowings	2,376,990	8,455,985
Current portion of long-term borrowings	11,629,640	8,485,282
Lease liabilities	140,194	116,168
Accounts payable - other	1,684,180	2,056,325
Income taxes payable	479,574	473,468
Contract liabilities	79	330
Provision for bonuses	713,786	710,743
Other	1,070,130	1,197,570
Total current liabilities	20,711,960	24,874,535
Non-current liabilities		
Long-term borrowings	19,776,032	16,335,798
Lease liabilities	91,911	254,074
Deferred tax liabilities	1,939,636	1,809,276
Retirement benefit liability	1,224,331	1,150,031
Long-term accounts payable - other	65,912	-
Asset retirement obligations	28,304	27,518
Other	178,218	219,466
Total non-current liabilities	23,304,347	19,796,165
Total liabilities	44,016,308	44,670,701
Net assets		
Shareholders' equity		
Share capital	19,344,883	19,344,883
Capital surplus	7,172,364	5,795,140
Retained earnings	7,473,320	6,185,572
Treasury shares	(1,930,424)	(182,714)
Total shareholders' equity	32,060,143	31,142,881
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,257,965	502,670
Foreign currency translation adjustment	4,916,324	4,733,023
Remeasurements of defined benefit plans	474,136	676,331
Total accumulated other comprehensive income	6,648,425	5,912,025
Non-controlling interests	8,339,745	8,165,086
Total net assets	47,048,314	45,219,993
Total liabilities and net assets	91,064,623	89,890,695

(2) Consolidated Statements of Income

(Unit: Thousands of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Net sales	39,343,676	38,620,931
Cost of sales	29,554,753	29,295,873
Gross profit	9,788,923	9,325,057
Selling, general and administrative expenses	7,653,642	8,410,034
Operating profit	2,135,280	915,023
Non-operating income		
Interest income	176,895	222,422
Dividend income	89,823	61,480
Foreign exchange gains	1,295,672	-
Other	342,786	256,960
Total non-operating income	1,905,178	540,863
Non-operating expenses		
Interest expenses	294,165	315,538
Commission expenses	200,500	116,598
Cancellation Penalty	162,000	-
Facility relocation expenses	95,105	-
Foreign exchange losses	-	348,008
Other	96,510	263,256
Total non-operating expenses	848,281	1,043,401
Ordinary profit	3,192,178	412,485
Extraordinary income		
Gain on sale of non-current assets	67,206	16,125
Gain on sale of investment securities	988,103	1,239,134
Insurance claim income	-	569,607
Total extraordinary income	1,055,309	1,824,868
Extraordinary losses		
Loss on sale of non-current assets	57,868	3,048
Loss on retirement of non-current assets	1,317	196
Impairment losses	65,206	60,310
Compensation expenses	-	571,104
Total extraordinary losses	124,391	634,660
Profit before income taxes	4,123,095	1,602,693
Income taxes - current	671,375	484,567
Income taxes for prior periods	73,418	44,611
Income taxes - deferred	499,683	102,038
Total income taxes	1,244,477	631,218
Profit	2,878,618	971,474
Profit attributable to non-controlling interests	1,002,473	685,886
Profit attributable to owners of parent	1,876,144	285,588

(3) Consolidated Statement of Comprehensive Income

(Unit: Thousands of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Profit	2,878,618	971,474
Other comprehensive income		
Valuation difference on available-for-sale securities	15,446	(1,106,228)
Foreign currency translation adjustment	2,123,153	(224,418)
Remeasurements of defined benefit plans, net of tax	51,252	211,802
Total other comprehensive income	2,189,852	(1,118,844)
Comprehensive income	5,068,470	(147,369)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,711,665	(450,811)
Comprehensive income attributable to non-controlling interests	1,356,805	303,441

(4) Consolidated Statement of Cash Flows

(Unit: Thousands of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	4,123,095	1,602,693
Depreciation	3,941,284	3,986,907
Amortization of long-term prepaid expenses	76,467	76,167
Impairment losses	65,206	60,310
Increase (decrease) in allowance for doubtful accounts	3,673	(1,648)
Increase (decrease) in provision for bonuses	(87,019)	(3,046)
Decrease (increase) in retirement benefit asset	(455,807)	(326,659)
Increase (decrease) in retirement benefit liability	380,404	232,944
Interest and dividend income	(266,719)	(283,903)
Interest expenses	294,165	315,538
Foreign exchange losses (gains)	36,421	(75,806)
Loss (gain) on sale of investment securities	(988,103)	(1,239,134)
Loss (gain) on sale of property, plant and equipment	(9,337)	(13,076)
Loss on retirement of property, plant and equipment	1,317	196
Decrease (increase) in trade receivables	905,934	452,649
Decrease (increase) in inventories	1,689,166	(1,892,176)
Increase (decrease) in trade payables	(29,130)	982,337
Other, net	183,490	(1,150,217)
Subtotal	9,864,511	2,724,075
Interest and dividends received	266,719	283,903
Interest paid	(291,571)	(311,074)
Income taxes paid	(1,595,834)	(400,178)
Net cash provided by (used in) operating activities	8,243,825	2,296,726
Cash flows from investing activities		
Payments into time deposits	(179,002)	(1,067,418)
Proceeds from withdrawal of time deposits	84,042	1,035,412
Proceeds from sale of securities	44,463	-
Purchase of property, plant and equipment	(4,498,628)	(6,887,869)
Proceeds from sale of property, plant and equipment	143,095	36,643
Purchase of intangible assets	(386,449)	(32,471)
Purchase of investment securities	(10,131)	(989,200)
Proceeds from sale of investment securities	1,061,703	1,527,083
Loan advances	(620)	(370)
Proceeds from collection of loans receivable	1,020	625
Other, net	(254,250)	70,394
Net cash provided by (used in) investing activities	(3,994,757)	(6,307,171)

(Unit: Thousands of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(345,163)	6,116,809
Proceeds from long-term borrowings	12,880,000	5,380,000
Repayments of long-term borrowings	(10,085,961)	(11,554,271)
Repayments of lease liabilities	(210,941)	(150,379)
Dividends paid	(901,116)	(900,433)
Dividends paid to non-controlling interests	(231,717)	(300,967)
Purchase of treasury shares	(776)	(298,945)
Net cash provided by (used in) financing activities	1,104,323	(1,708,187)
Effect of exchange rate change on cash and cash equivalents	564,488	(134,071)
Net increase (decrease) in cash and cash equivalents	5,917,879	(5,852,703)
Cash and cash equivalents at beginning of period	18,437,258	24,355,138
Cash and cash equivalents at end of period	24,355,138	18,502,435

Segment Information

1. Information on the amount of net sales, profit or loss and disaggregation of revenue by reportable segments

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Unit: Thousands of yen)

	Reportable segments							Adjustments (Note 1)	Carrying amount on consolidated financial statements (Note 2)
	Japan	North America (Note 3)	Europe (Note 3)	China	Taiwan	Asia (Note 3)	Total		
Net Sales									
Sales to external customers	7,781,320	2,405,202	3,833,725	12,300,895	10,342,263	2,680,269	39,343,676	-	39,343,676
Intersegment sales or transfers	21,444,427	49,808	1,224	3,037,458	2,748,482	7,317,234	34,598,637	(34,598,637)	-
Total	29,225,748	2,455,011	3,834,949	15,338,354	13,090,746	9,997,504	73,942,314	(34,598,637)	39,343,676
Segment profit (loss)	116,550	16,904	20,910	(55,266)	1,086,041	493,515	1,678,655	456,625	2,135,280
Segment assets	52,452,147	1,103,557	1,412,156	11,722,743	29,086,839	8,330,420	104,107,864	(13,043,241)	91,064,623
Other items									
Depreciation	1,218,201	12,794	5,401	181,615	1,269,363	795,127	3,482,503	(20,082)	3,462,420
Impairment loss	13,353	-	-	-	51,852	-	65,206	-	65,206
Increase in property, plant and equipment and intangible assets	3,205,128	8,143	307	32,596	310,872	94,729	3,651,777	-	3,651,777

Note1: Adjustments are as follows

1) The adjustment in segment profit (loss) of 456,625 thousand yen includes intersegment transactions eliminations of (41,363) thousand yen and other adjustments of 497,988 thousand yen.

2) The adjustment of segment assets of (13,043,241) thousand yen includes offset elimination of inter-segment receivables and payables of (12,669,069) thousand yen and other adjustments of (374,171) thousand yen.

3) The adjustment for depreciation is primarily due to the elimination of unrealized gains.

Note2: Segment profit (loss) is adjusted to operating profit in the consolidated statements of income.

Note3: The breakdown of the main countries or regions belonging to each segment other than Japan, China, and Taiwan is as follows.

1) North America - United States

2) Europe - Germany

3) Asia - Indonesia, Singapore and Thailand

2. Information on the amount of net sales, profit or loss and disaggregation of revenue by reportable segments

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Unit: Thousands of yen)

	Reportable segments							Adjustments (Note 1)	Carrying amount on consolidated financial statements (Note 2)
	Japan	North America (Note 3)	Europe (Note 3)	China	Taiwan	Asia (Note 3)	Total		
Net Sales									
Sales to external customers	6,971,172	2,450,263	3,899,816	12,652,201	9,786,778	2,860,698	38,620,931	-	38,620,931
Intersegment sales or transfers	22,487,484	52,637	4,366	3,568,732	4,029,525	7,053,300	37,196,047	(37,196,047)	-
Total	29,458,657	2,502,901	3,904,182	16,220,934	13,816,304	9,913,998	75,816,978	(37,196,047)	38,620,931
Segment profit (loss)	(842,757)	38,813	31,683	9,261	1,559,979	85,441	882,422	32,601	915,023
Segment assets	53,509,974	1,087,802	1,380,407	10,988,858	27,529,799	7,426,727	101,923,570	(12,032,875)	89,890,695
Other items									
Depreciation	1,314,939	18,216	12,226	186,868	1,297,180	797,561	3,626,992	(12,025)	3,614,966
Impairment loss	-	-	-	-	60,310	-	60,310	-	60,310
Increase in property, plant and equipment and intangible assets	6,189,595	18,394	11,832	30,301	924,439	222,773	7,397,337	-	7,397,337

Note1: Adjustments are as follows

1) The adjustment in segment profit (loss) of 32,601 thousand yen includes intersegment transactions eliminations of 16,357 thousand yen and other adjustments of 16,243 thousand yen.

2) The adjustment of segment assets of (12,032,875) thousand yen includes offset elimination of inter-segment receivables and payables of (11,571,832) thousand yen and other adjustments of (461,042) thousand yen.

3) The adjustment for depreciation is primarily due to the elimination of unrealized gains.

Note2: Segment profit (loss) is adjusted to operating profit in the consolidated statements of income.

Note3: The breakdown of the main countries or regions belonging to each segment other than Japan, China, and Taiwan is as follows.

1) North America - United States

2) Europe - Germany

3) Asia - Indonesia, Singapore and Thailand