

May 14, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: TOREX SEMICONDUCTOR LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 6616
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 Scheduled date of annual general meeting of shareholders: June 25, 2025
 Scheduled date to commence dividend payments: June 26, 2025
 Scheduled date to file annual securities report: June 25, 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 March 31, 2025 (from April 1, 2024 to March 31, 2025)

(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	%
March 31, 2025	23,957	(7.0)	(632)	-	(820)	-	(2,358)	-
March 31, 2024	25,751	(19.4)	(1,778)	-	(2,452)	-	(4,297)	-

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥(2,236) million [-%]
 For the fiscal year ended March 31, 2024: ¥(3,425) million [-%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	(214.62)	-	(12.4)	(2.3)	(2.6)
March 31, 2024	(390.73)	-	(19.0)	(6.7)	(6.9)

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	33,607	17,400	51.8	1,616.67
March 31, 2024	36,636	20,552	56.1	1,868.50

Reference: Equity
 As of March 31, 2025: ¥17,400 million
 As of March 31, 2024: ¥20,552 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	3,359	(3,755)	442	9,231
March 31, 2024	1,927	(4,552)	2,705	9,140

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	28.00	-	28.00	56.00	621	-	2.7
Fiscal year ended March 31, 2025	-	28.00	-	28.00	56.00	615	-	3.2
Fiscal year ending March 31, 2026 (Forecast)		28.00		28.00	56.00		200.9	

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Fiscal year ending March 31, 2026	25,500	6.4	400	-	400	-	300	-	27.87

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of March 31, 2025	11,554,200 shares
As of March 31, 2024	11,554,200 shares

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

As of March 31, 2025	790,963 shares
As of March 31, 2024	554,563 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	10,989,298 shares
Fiscal year ended March 31, 2024	10,999,000 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	8,702	7.8	(184)	-	323	-	(26)	-
March 31, 2024	8,075	(36.0)	(2,923)	-	(2,846)	-	(4,192)	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	(2.42)	-
March 31, 2024	(381.15)	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	16,447	9,250	56.2	859.43
March 31, 2024	16,541	10,155	61.4	923.24

Reference: Equity

As of March 31, 2025: ¥9,250 million

As of March 31, 2024: ¥10,155 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 forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to “(4) Future outlook” of “1. Overview of Operating Results and Others” on page 5 of the attached materials for the conditions that form the assumptions for the forecasts of financial results and cautions concerning the use thereof.

* How to obtain supplementary financial results materials

Supplementary financial results materials will be posted on TDnet and the Company's website on Tuesday, May 20, 2025.

Consolidated balance sheet

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	9,226,032	9,429,457
Notes and accounts receivable - trade	4,751,294	4,084,734
Merchandise and finished goods	4,016,827	3,259,408
Work in process	1,800,522	1,742,980
Raw materials and supplies	1,709,803	1,483,746
Other	1,142,708	839,744
Allowance for doubtful accounts	(3,480)	(3,958)
Total current assets	22,643,707	20,836,112
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,426,343	4,563,311
Machinery, equipment and vehicles, net	2,329,207	2,362,154
Tools, furniture and fixtures, net	447,056	438,739
Land	1,045,339	1,019,313
Leased assets, net	230,677	193,362
Construction in progress	1,666,436	578,319
Total property, plant and equipment	10,145,060	9,155,201
Intangible assets		
Software	650,792	403,800
Other	108,883	310,378
Total intangible assets	759,675	714,179
Investments and other assets		
Investment securities	1,127,651	1,232,434
Retirement benefit asset	926,682	1,007,449
Deferred tax assets	686,193	297,550
Other	352,090	369,989
Allowance for doubtful accounts	(4,919)	(4,917)
Total investments and other assets	3,087,698	2,902,505
Total non-current assets	13,992,433	12,771,885
Total assets	36,636,141	33,607,998

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	650,238	701,368
Short-term borrowings	-	1,900,000
Current portion of bonds payable	-	100,000
Current portion of long-term borrowings	2,090,292	2,479,936
Lease liabilities	91,335	70,482
Accounts payable - other	2,071,320	892,468
Income taxes payable	73,147	97,246
Contract liabilities	8,276	5,443
Provision for bonuses	492,732	437,324
Other	556,420	369,947
Total current liabilities	6,033,762	7,054,217
Non-current liabilities		
Bonds payable	100,000	-
Long-term borrowings	9,124,078	8,332,262
Lease liabilities	114,426	101,750
Long-term accounts payable - other	28,544	28,616
Retirement benefit liability	393,827	400,707
Provision for share awards	95,996	106,860
Asset retirement obligations	86,984	87,638
Deferred tax liabilities	74,693	86,278
Other	30,924	9,033
Total non-current liabilities	10,049,475	9,153,148
Total liabilities	16,083,237	16,207,366
Net assets		
Shareholders' equity		
Share capital	2,967,934	2,967,934
Capital surplus	8,420,205	8,420,205
Retained earnings	8,504,353	5,523,084
Treasury shares	(706,062)	(999,102)
Total shareholders' equity	19,186,430	15,912,121
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	113,344	280,420
Foreign currency translation adjustment	912,010	873,149
Remeasurements of defined benefit plans	341,118	334,940
Total accumulated other comprehensive income	1,366,473	1,488,510
Total net assets	20,552,904	17,400,632
Total liabilities and net assets	36,636,141	33,607,998

Consolidated statement of income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	25,751,982	23,957,700
Cost of sales	21,765,756	18,685,456
Gross profit	3,986,225	5,272,244
Selling, general and administrative expenses	5,764,406	5,904,411
Operating loss	(1,778,180)	(632,166)
Non-operating income		
Interest and dividend income	50,660	138,279
Royalty gain	2,219	1,767
Rental income	50,551	48,898
Other	27,102	72,572
Total non-operating income	130,535	261,517
Non-operating expenses		
Interest expenses	140,849	165,306
Commission expenses	8,000	8,000
Foreign exchange losses	643,309	271,886
Other	12,309	4,434
Total non-operating expenses	804,469	449,627
Ordinary loss	(2,452,114)	(820,277)
Extraordinary income		
Gain on sale of non-current assets	1,363	44,204
Gain on sale of investment securities	-	48,970
Subsidy income	179,700	7,559
Surrender value of insurance policies	-	12,169
Insurance claim income	-	18,683
Total extraordinary income	181,064	131,587
Extraordinary losses		
Impairment losses	1,705,379	1,115,532
Loss on sale and retirement of non-current assets	27,799	11,642
Loss on tax purpose reduction entry of non-current assets	112,262	-
Loss on valuation of investment securities	-	83,580
Factory relocation expenses	37,513	-
Loss on disaster	-	14,132
Other	5,008	-
Total extraordinary losses	1,887,963	1,224,887
Loss before income taxes	(4,159,013)	(1,913,577)
Income taxes - current	157,724	112,850
Income taxes - deferred	(19,019)	332,139
Total income taxes	138,704	444,990
Loss	(4,297,717)	(2,358,567)
Loss attributable to owners of parent	(4,297,717)	(2,358,567)

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Loss	(4,297,717)	(2,358,567)
Other comprehensive income		
Valuation difference on available-for-sale securities	218,545	167,075
Foreign currency translation adjustment	361,648	(38,861)
Remeasurements of defined benefit plans, net of tax	292,510	(6,177)
Total other comprehensive income	872,705	122,036
Comprehensive income	(3,425,012)	(2,236,530)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,425,012)	(2,236,530)

Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,967,934	8,388,605	13,422,586	(678,960)	24,100,165
Dividends of surplus	-	-	(620,515)	-	(620,515)
Profit (loss) attributable to owners of parent	-	-	(4,297,717)	-	(4,297,717)
Purchase of treasury shares	-	-	-	(78,251)	(78,251)
Disposal of treasury shares	-	31,600	-	51,149	82,749
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	-	31,600	(4,918,233)	(27,101)	(4,913,735)
Balance at end of period	2,967,934	8,420,205	8,504,353	(706,062)	19,186,430

	Accumulated other comprehensive income				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	(105,201)	550,361	48,608	493,768	24,593,934
Dividends of surplus	-	-	-	-	(620,515)
Profit (loss) attributable to owners of parent	-	-	-	-	(4,297,717)
Purchase of treasury shares	-	-	-	-	(78,251)
Disposal of treasury shares	-	-	-	-	82,749
Net changes in items other than shareholders' equity	218,545	361,648	292,510	872,705	872,705
Total changes during period	218,545	361,648	292,510	872,705	(4,041,030)
Balance at end of period	113,344	912,010	341,118	1,366,473	20,552,904

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,967,934	8,420,205	8,504,353	(706,062)	19,186,430
Dividends of surplus	-	-	(622,701)	-	(622,701)
Profit (loss) attributable to owners of parent	-	-	(2,358,567)	-	(2,358,567)
Purchase of treasury shares	-	-	-	(314,763)	(314,763)
Disposal of treasury shares	-	-	-	21,723	21,723
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	-	-	(2,981,268)	(293,040)	(3,274,308)
Balance at end of period	2,967,934	8,420,205	5,523,084	(999,102)	15,912,121

	Accumulated other comprehensive income				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	113,344	912,010	341,118	1,366,473	20,552,904
Dividends of surplus	-	-	-	-	(622,701)
Profit (loss) attributable to owners of parent	-	-	-	-	(2,358,567)
Purchase of treasury shares	-	-	-	-	(314,763)
Disposal of treasury shares	-	-	-	-	21,723
Net changes in items other than shareholders' equity	167,075	(38,861)	(6,177)	122,036	122,036
Total changes during period	167,075	(38,861)	(6,177)	122,036	(3,152,272)
Balance at end of period	280,420	873,149	334,940	1,488,510	17,400,632

Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Loss before income taxes	(4,159,013)	(1,913,577)
Depreciation	2,350,143	2,468,402
Impairment losses	1,705,379	1,115,532
Loss (gain) on sale of investment securities	-	(48,970)
Loss on valuation of investment securities	-	83,580
Loss on disaster	-	14,132
Loss (gain) on sale and retirement of non-current assets	26,435	(32,562)
Loss on tax purpose reduction entry of non-current assets	112,262	-
Subsidy income	(179,700)	(7,559)
Increase (decrease) in allowance for doubtful accounts	(426)	578
Increase (decrease) in provision for bonuses	(100,123)	(54,801)
Increase (decrease) in provision for share awards	23,402	32,587
Decrease (increase) in retirement benefit asset	(484,305)	(86,944)
Increase (decrease) in retirement benefit liability	2,764	6,879
Interest and dividend income	(50,660)	(138,279)
Interest expenses	140,849	165,306
Foreign exchange losses (gains)	(217,457)	(82,266)
Decrease (increase) in trade receivables	710,654	638,896
Decrease (increase) in inventories	2,763,429	1,029,457
Increase (decrease) in trade payables	(559,457)	81,265
Increase (decrease) in long-term accounts payable - other	29,941	-
Other, net	113,947	(77,035)
Subtotal	2,228,064	3,194,621
Interest and dividends received	49,608	138,279
Interest paid	(139,961)	(165,156)
Income taxes refund (paid)	(390,010)	184,264
Subsidies received	179,593	7,559
Net cash provided by (used in) operating activities	1,927,295	3,359,567

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Net decrease (increase) in time deposits	(26,175)	(111,963)
Proceeds from sale of securities	-	6,370
Purchase of property, plant and equipment	(4,232,369)	(3,880,695)
Proceeds from sale of property, plant and equipment	1,063	227,183
Purchase of intangible assets	(356,622)	(36,021)
Purchase of investment securities	(103,473)	(4,546)
Proceeds from sale of investment securities	-	61,114
Proceeds from repayments of investment securities	204,558	42,291
Payments of leasehold and guarantee deposits	(800)	(50,515)
Proceeds from refund of leasehold and guarantee deposits	4,258	608
Other, net	(42,783)	(9,356)
Net cash provided by (used in) investing activities	(4,552,344)	(3,755,532)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,900,000)	1,900,000
Proceeds from long-term borrowings	6,900,000	2,000,000
Repayments of long-term borrowings	(1,603,390)	(2,397,564)
Purchase of treasury shares	(74,751)	(314,763)
Proceeds from disposal of treasury shares	78,160	-
Repayments of lease liabilities	(66,864)	(115,363)
Dividends paid	(619,756)	(621,951)
Other, net	(8,000)	(8,000)
Net cash provided by (used in) financing activities	2,705,397	442,357
Effect of exchange rate change on cash and cash equivalents	544,591	45,068
Net increase (decrease) in cash and cash equivalents	624,940	91,461
Cash and cash equivalents at beginning of period	8,515,480	9,140,420
Cash and cash equivalents at end of period	9,140,420	9,231,881

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Company's reporting segments are those of the Company's constituent units for which segregated financial information is available and is subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate performance.

We mainly manufacture and sell analog power supply ICs, etc., and we are in charge of the territories defined by our company in Japan and our overseas subsidiaries in Asia (Singapore, China (including Hong Kong), Taiwan, Vietnam), Europe (the United Kingdom), and North America (the United States). Each local subsidiary is an independent management unit, and develops a comprehensive strategy for the territory in which it handles the products it handles, and develops its business activities.

In addition, Phenitec Semiconductor Corporation receives orders, manufactures, ships, and sells wafers in Japan.

Accordingly, the Company is comprised of regional segments based on its production and sales structure, with four reporting segments: Japan, Asia, Europe, and North America.

2. Method of calculating the amount of sales, profit or loss, assets, and other items for each reporting segment

The method of accounting for the reporting segment is in accordance with the accounting policy adopted to prepare consolidated financial statements.

Profit in the reporting segment is a figure based on operating income. Internal revenues and transfers between segments are based on prevailing market prices.

3. Information on the amount of sales, profits or losses, assets, and other items for each reported segment, as well as information on the breakdown of revenue.

The previous fiscal year (April 1, 2023 to March 31, 2024)

(Unit: 1 thousand yen)

	Reportable segments					Adjustment amount (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Japan	Asia	Europe	North America	Total		
Net sales (Note 3)							
Revenue generated from customer contracts	18,736,524	5,089,211	1,444,544	481,701	25,751,982	-	25,751,982
Revenues from external customers	18,736,524	5,089,211	1,444,544	481,701	25,751,982	-	25,751,982
Transactions with other segments	5,076,728	440,270	30,347	20,718	5,568,064	(5,568,064)	-
Total	23,813,252	5,529,481	1,474,892	502,419	31,320,046	(5,568,064)	25,751,982
Segment profit (loss)	(2,320,698)	167,509	128,428	(13,255)	(2,038,015)	259,834	(1,778,180)
Segment Assets	34,118,728	3,645,885	623,298	716,831	39,104,743	(2,468,602)	36,636,141
Other items							
Depreciation	2,247,223	89,940	12,585	394	2,350,143	-	2,350,143
Increase in property, plant and equipment and intangible assets	5,220,721	8,695	3,618	51,286	5,284,322	-	5,284,322

Note: 1. The breakdown of the adjustment amount is as follows.

(1) The adjusted amount of 259,834 thousand yen for segment profit or loss (loss) is the elimination of inter-segment transactions.

(2) The adjustment amount of (2,468,602) thousand yen for segment assets is the elimination of inter-segment transactions.

2. Segment profit or loss (loss) is adjusted for operating loss in consolidated financial statements.

3. The Company makes business strategic decisions based on indicators based on sales in regions where electronic devices equipped with the Company's products are planned and designed, and orders are substantially received. The sales aggregated on a design-in basis are as follows.

(Design-in-based sales)

(Unit: 1 thousand yen)

	Reportable segments				
	Japan	Asia	Europe	North America	Total
Sales	19,629,588	3,477,212	1,941,803	703,378	25,751,982

The current fiscal year (April 1, 2024 to March 31, 2025)

(Unit: 1 thousand yen)

	Reportable segments					Adjustment amount (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Japan	Asia	Europe	North America	Total		
Net sales (Note 3)							
Revenue generated from customer contracts	16,576,788	5,615,020	1,227,802	538,089	23,957,700	-	23,957,700
Revenues from external customers	16,576,788	5,615,020	1,227,802	538,089	23,957,700	-	23,957,700
Transactions with other segments	6,211,584	374,634	34,125	28,321	6,648,665	(6,648,665)	-
Total	22,788,372	5,989,654	1,261,927	566,411	30,606,366	(6,648,665)	23,957,700
Segment profit (loss)	(862,523)	69,630	80,195	1,349	(711,347)	79,181	(632,166)
Segment Assets	31,189,313	3,564,742	667,307	722,132	36,143,495	(2,535,497)	33,607,998
Other items							
Depreciation	2,350,542	100,685	16,871	302	2,468,402	-	2,468,402
Increase in property, plant and equipment and intangible assets	2,837,115	80,541	46,629	404	2,964,690	-	2,964,690

Note: 1. The breakdown of the adjustment amount is as follows.

(1) The adjusted amount of 79,181 thousand yen for segment profit or loss (loss) is the elimination of inter-segment transactions.

(2) The adjustment amount of (2,535,497) thousand yen for segment assets is the elimination of inter-segment transactions.

2. Segment profit or loss (loss) is adjusted for operating loss in consolidated financial statements.

3. The Company makes business strategic decisions based on indicators based on sales in regions where electronic devices equipped with the Company's products are planned and designed, and orders are substantially received. The sales aggregated on a design-in basis are as follows.

(Design-in-based sales)

(Unit: 1 thousand yen)

	Reportable segments				
	Japan	Asia	Europe	North America	Total
Sales	17,403,431	3,942,249	1,750,223	861,796	23,957,700