

# Financial Results Briefing for the Fiscal Year Ended March 31, 2023

May 16, 2023

**yokowo**

**\* Information contained in these materials is based on various assumptions and does not guarantee the achievement of planned values and measures in the future.**

- Consolidated Financial Results for  
the Fiscal Year Ended March 31, 2023 and  
the Forecast for Fiscal Year Ending March 31, 2024

Toshihisa Tagaya  
Executive Officer  
SCI Promotion H.Q. Chief Manager

- Future Business Outlook

Takayuki Tokuma  
Representative Director,  
President and Executive Officer

Consolidated Financial Results for  
the Fiscal Year Ended March 31, 2023 and  
the Forecast for Fiscal Year Ending March 31, 2024

Toshihisa Tagaya  
Executive Officer  
SCI Promotion H.Q. Chief Manager

# Summary of Consolidated Financial Results

## for the Fiscal Year Ended March 31, 2023

( Unit: Million yen )

### ◆ Vehicle communication equipment [VCCS (Vehicle Communication Comfort & Safety) segment]

Net sales **46,520** (YoY +**16.1%**)Operating profit **▲2,094**  
(▲651 in the previous fiscal year)

- Net sales increased by the weakening of the yen and the recovery of automotive production while mitigating semiconductor shortages
- Loss by high logistic costs associated with high ocean freight rates, raw-material costs at production bases caused by the strengthening of the local currencies, and **temporary inventory devaluation with the application of the lower-of-cost-or-market method in the fourth quarter.**

### ◆ Circuit testing connectors [CTC (Circuit Testing Connector) segment]

Net sales **22,374** (YoY +**26.9%**)Operating profit **6,169** (YoY +**26.6%**)

- Net sales increased by increased profit associated with high demand for circuit testing, despite deteriorations in sales by a drastic decrease in orders in this fourth quarter.
- Increased profit associated with an increase in sales and with the weakening of the yen.

### ◆ Personal communication equipment [FC (Fine Connector) and MD (Medical Devices) segment]

Net sales **9,067** (YoY **▲0.8%**)Operating profit **664** (YoY **▲47.1%**)

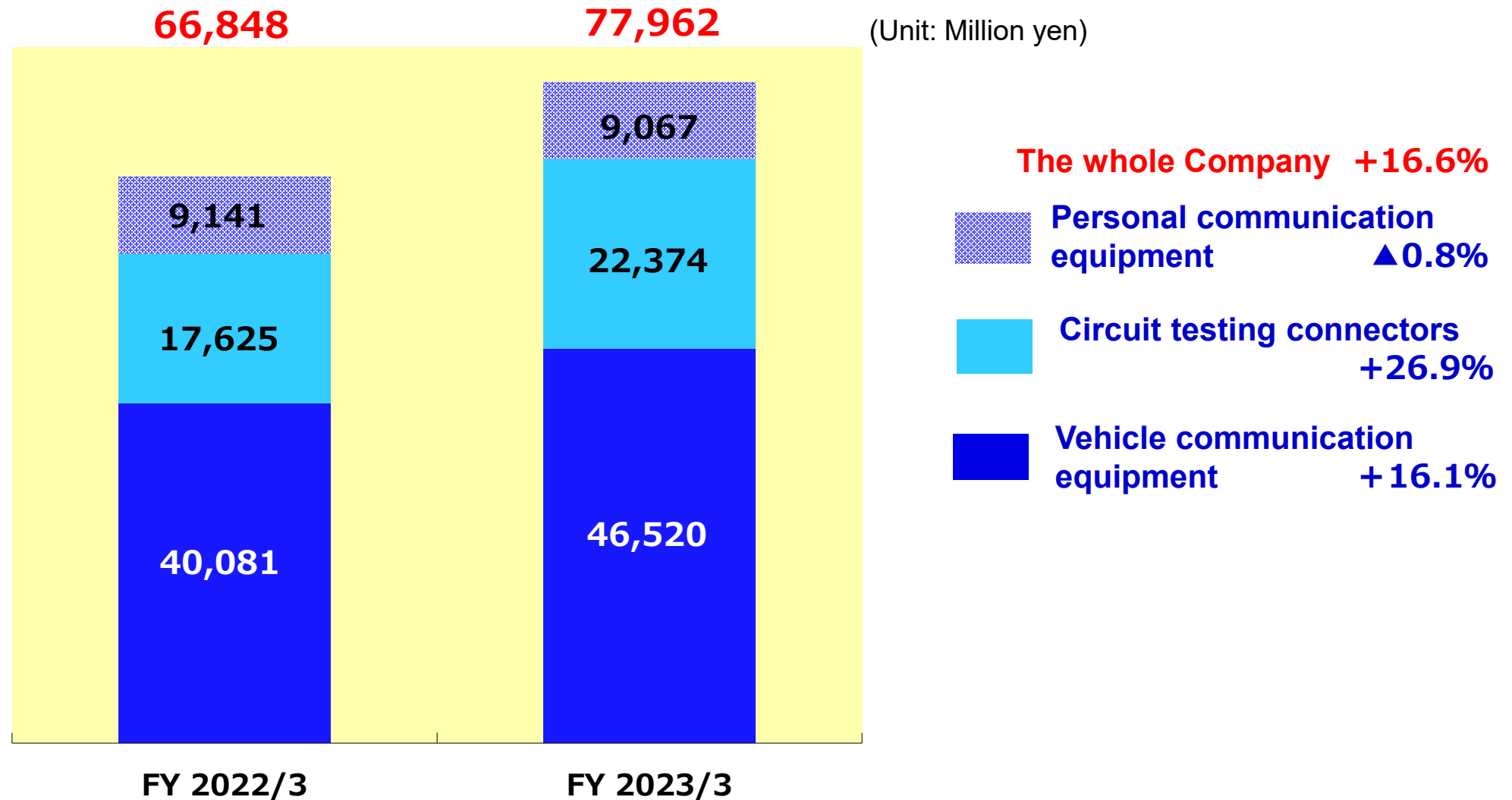
- Net sale decreased due to customer's production adjustment in FC segment, caused by the global shortage of semiconductors and the economic downturn, despite sales in MD segment increased.
- Decreased profit associated with a decrease in sales in the fine connector business, a higher labor cost ratio at production bases in China mainly due to a strong yuan, and changes in the business structure.

Ordinary profit **5,675** ( YoY **▲13.1%**)Including **▲244** in foreign exchange and **▲688** in share of entities accounted for using equity methodProfit attributable to owners of parent  
**3,147** ( YoY **▲32.5%**)Including **▲863** on sale of non-current assets and **▲220** business restricting expense

# Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

	Average exchange rate 1 \$ : ¥112.39	Average exchange rate after February 2023 1 \$ : ¥130.00	Average exchange rate 1 \$ : ¥135.49	( Unit: Million yen )	
	FY 2022/3 Results	Previous Review (Announced in February 2023 ) Forecast	FY 2023/3 Results	YoY	Compared with Previous Forecast
Net sales	66,848	77,000	<b>77,962</b>	+16.6%	+1.3%
Operating profit	4,684	5,200	<b>4,739</b>	+1.2%	▲8.9%
Ordinary profit	6,529	6,300	<b>5,675</b>	▲13.1%	▲9.9%
Profit	4,663	4,000	<b>3,147</b>	▲32.5%	▲21.3%

# Trends in Net Sales by Segment

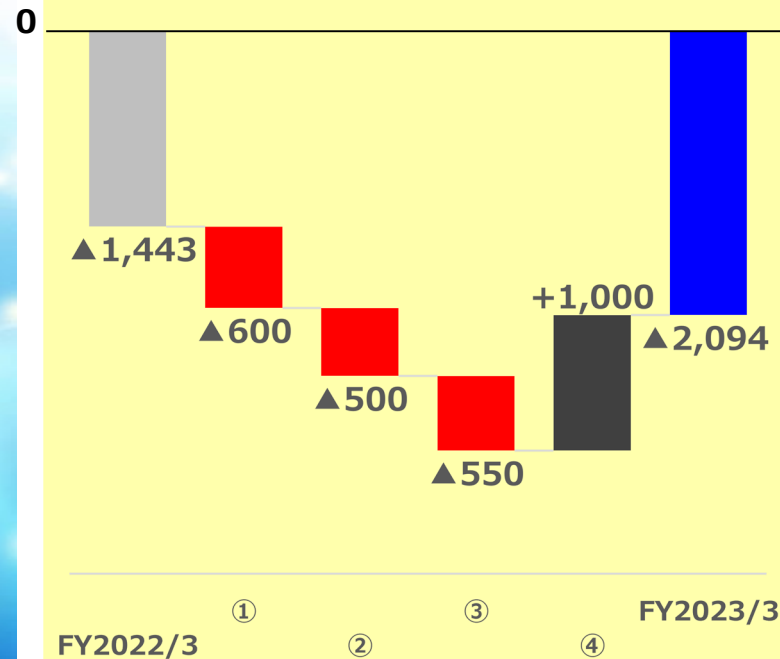


# Analysis of gain and loss for operating profit by segment (YoY)

(Unit: Million yen)

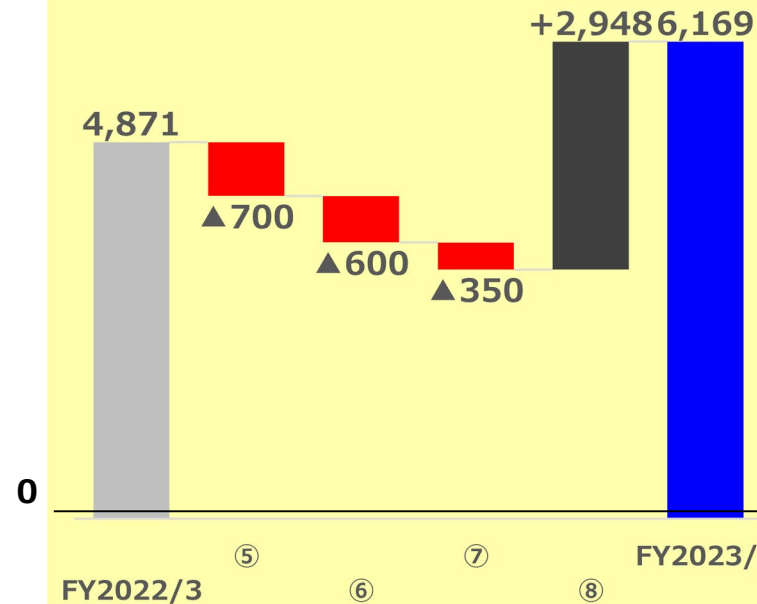
## < Vehicle communication equipment >

- | <Factors for operating income>                            |        |
|---|--------|
| ① Increase in labor cost                                  | ▲ 600  |
| ② Increase fixed cost including depreciation and expenses | ▲ 500  |
| ③ Temporary inventory devaluation                         | ▲ 550  |
| ④ The collection of cost increases                        | +1,000 |



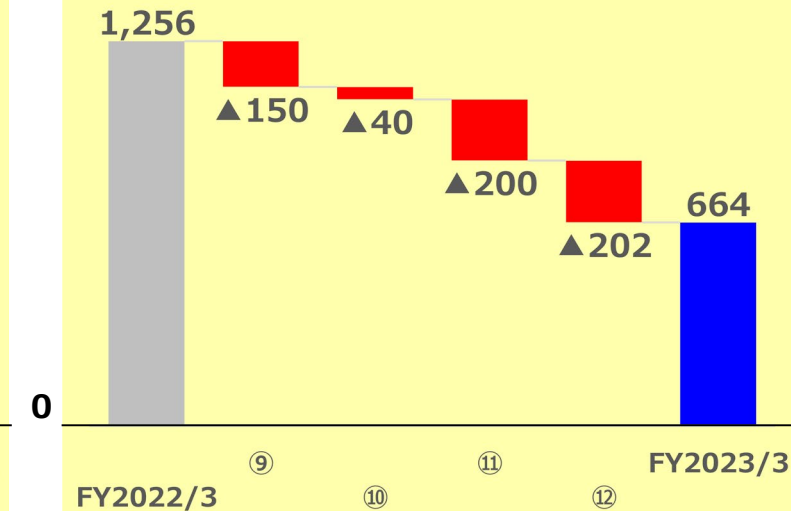
## < Circuit testing connectors >

- | < Factors for operating profit>                           |        |
|---|--------|
| ⑤ Increase in labor cost                                  | ▲ 700  |
| ⑥ Increase fixed cost including depreciation and expenses | ▲ 600  |
| ⑦ Increase in raw-material cost                           | ▲ 350  |
| ⑧ Increase in income by higher sales                      | +2,948 |

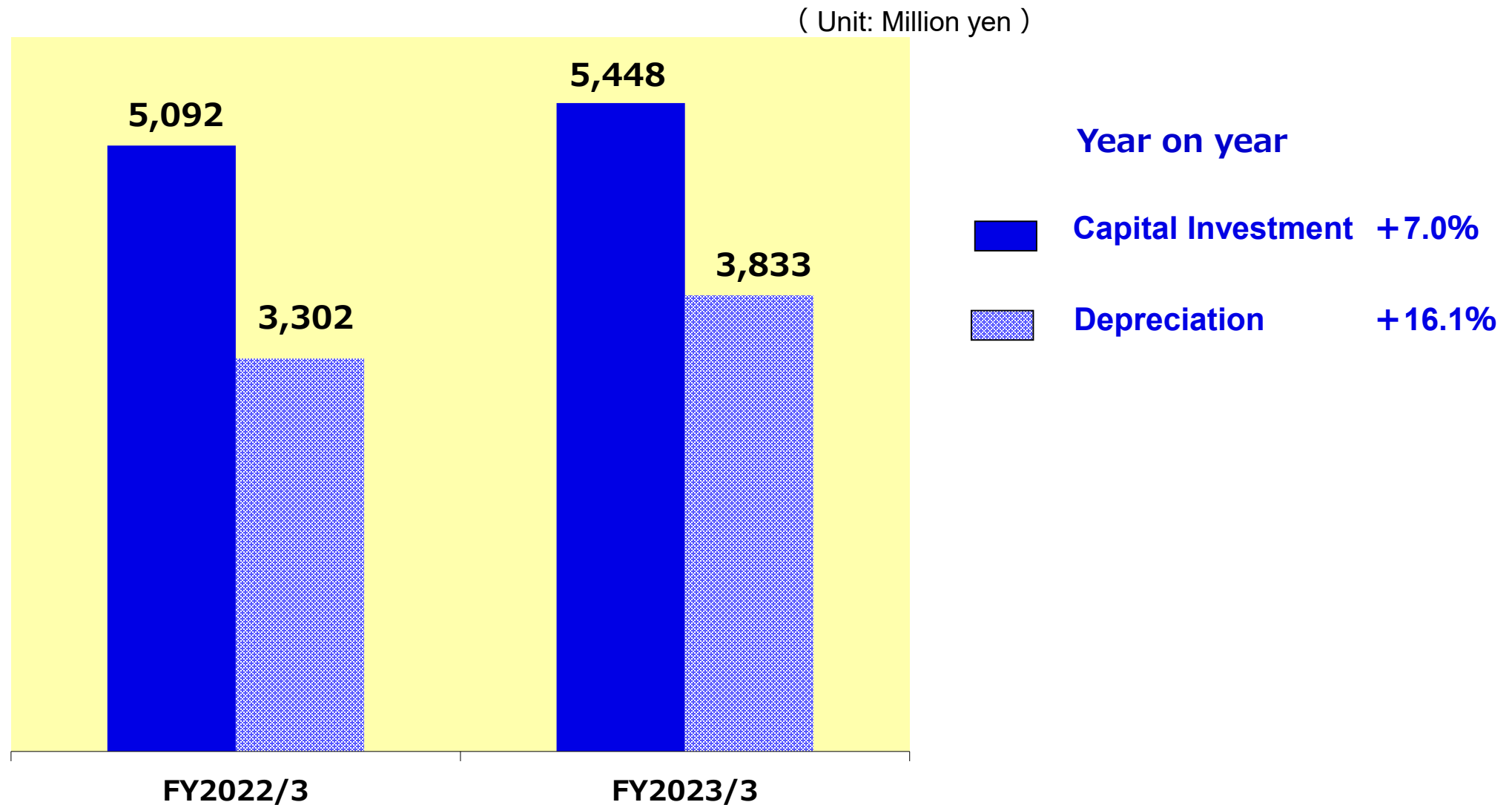


## < Personal communication equipment >

- | < Factors for operating profit>                                       |       |
|---|-------|
| ⑨ Increase in labor cost (FC)   | ▲ 150 |
| ⑩ Increase in labor cost (MD)   | ▲ 40  |
| ⑪ Increase fixed cost including depreciation                          | ▲ 200 |
| ⑫ Costs for changing business structure (a decreases in profit of FC) | ▲ 202 |



# Capital Investment and Depreciation





# Consolidated Balance Sheets

	End of March 2022	End of March 2023	YoY	( Unit: Million yen )
Cash and deposits	13,816	17,687	3,870	
Notes and accounts receivable - trade	13,057	12,350	▲707	
Inventories	15,681	14,282	▲1,399	
Other current assets	1,983	2,035	51	
Property, plant and equipment	16,544	18,077	1,532	
Intangible assets	1,162	1,210	48	
Investments and other assets	4,623	5,013	390	
<b>Total assets</b>	<b>66,870</b>	<b>70,656</b>	<b>3,786</b>	
Notes and accounts payable - trade	7,991	6,483	▲1,507	
Other current liabilities	12,193	11,406	▲786	
Non-current liabilities	2,357	5,541	3,184	
<b>Total liabilities</b>	<b>22,541</b>	<b>23,431</b>	<b>890</b>	
Net assets	44,328	47,224	2,896	
<b>Total liabilities and net assets</b>	<b>66,870</b>	<b>70,656</b>	<b>3,786</b>	

**Increase in long-term borrowings  
3,000**

**Increase in retained earnings 2,051  
Foreign currency translation  
adjustment 871**

**\*Amounts are rounded off  
to the million yen.**

# Consolidated Cash Flow

	End of March 2022	End of March 2023	
			( Unit: Million yen )
Income before income taxes and equity in earnings	6,459	4,433	
Depreciation	3,302	3,833	
Increase (decrease) in other current liabilities	▲6,084	▲954	
<b>Cash follow from Operating activities</b>	<b>3,677</b>	<b>7,312</b>	
Capital investment	▲4,739	▲4,645	
Acquisition for Intangible assets	▲530	▲591	
Other Investments	▲697	▲620	
<b>Cash flows from investing activities</b>	<b>▲5,967</b>	<b>▲5,857</b>	
Payment of dividends	▲858	▲1,093	
Other financing activities	1,029	2,625	
<b>Cash flows from financing activities</b>	<b>171</b>	<b>1,531</b>	
Exchange differences on cash and cash equivalents	640	882	
Net increase (decrease) in cash and cash equivalents	<b>▲1,478</b>	<b>3,870</b>	
Cash and cash equivalents at beginning of year	<b>15,295</b>	<b>13,816</b>	
Cash and cash equivalents at end of year	<b>13,816</b>	<b>17,687</b>	

Impairment losses	863
Decrease in trade receivables	1,538
Decrease in inventories	2,263
Foreign exchange gains	▲663
Income taxes paid	▲2,501
Decrease in trade payables	▲2,652

Free cash flow	1,455
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Increase in long-term borrowings	3,000
Repayment of finance leases	▲347

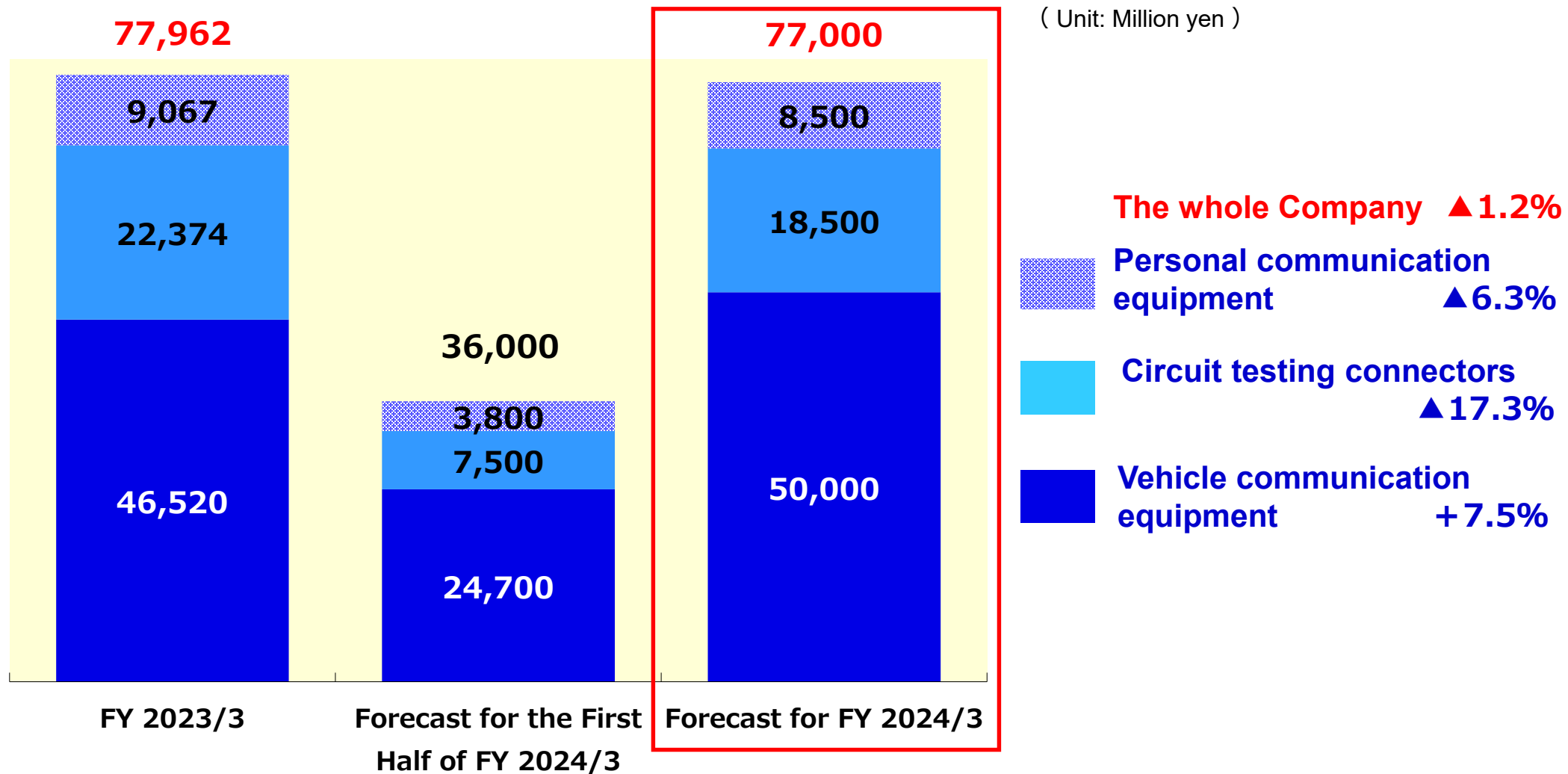
  

**\*Amounts are rounded off to the million yen.**

# Full-year Results Forecast

	Average exchange rate 1 \$ : ¥ 135.49	Average exchange rate 1 \$ : ¥ 130.0		( Unit: Million yen )
	FY2023/3 Results	The first half of FY2024/3 Current Forecast	FY2024/3 Current Forecast	YoY
Net sales	77,962	36,000	<b>77,000</b>	▲1.2%
Operating profit	4,739	500	<b>3,200</b>	▲32.5%
Ordinary profit	5,675	50	<b>2,750</b>	▲51.5%
Profit	3,147	35	<b>2,000</b>	▲36.5%

# Forecast for Sales by segment



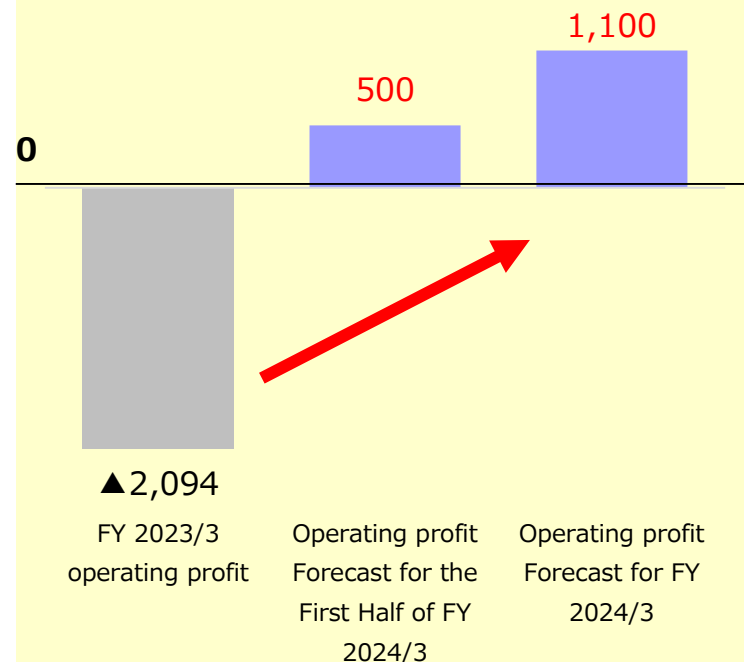
# Forecast for operating profit by segment

( Unit: Million yen )

## < Vehicle communication equipment >

### <Prerequisite>

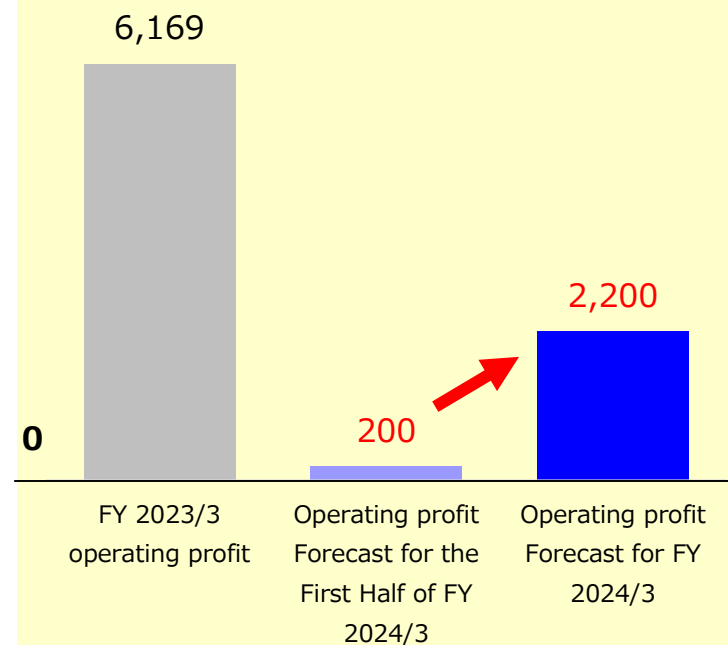
- Demand on recovery trend
  - Decrease in logistic cost by a decrease in raw-material cost
  - The negotiations over the selling price review to meet the cost increase
- operating profit is expected to be improved.



## <Circuit testing connectors >

### < Prerequisite >

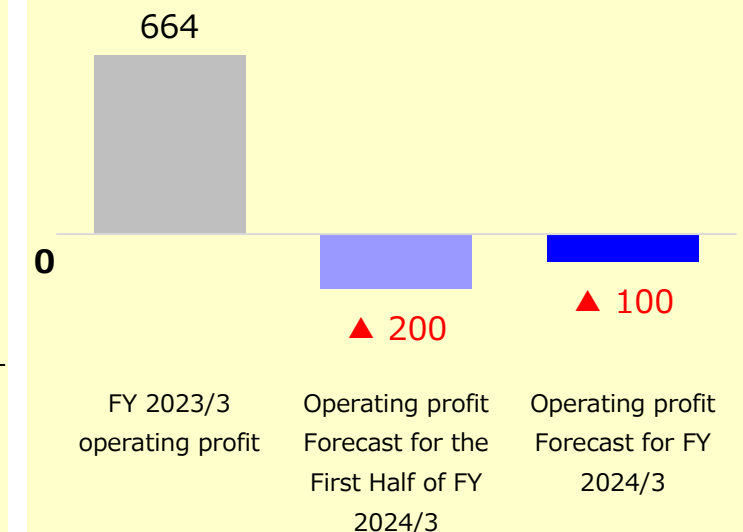
- Orders are expected to decrease due to low demand for semiconductor testing in the first half
  - Demand are expected to recover in the second half
  - Raw-material cost remain high
- operating profit is expected to decrease



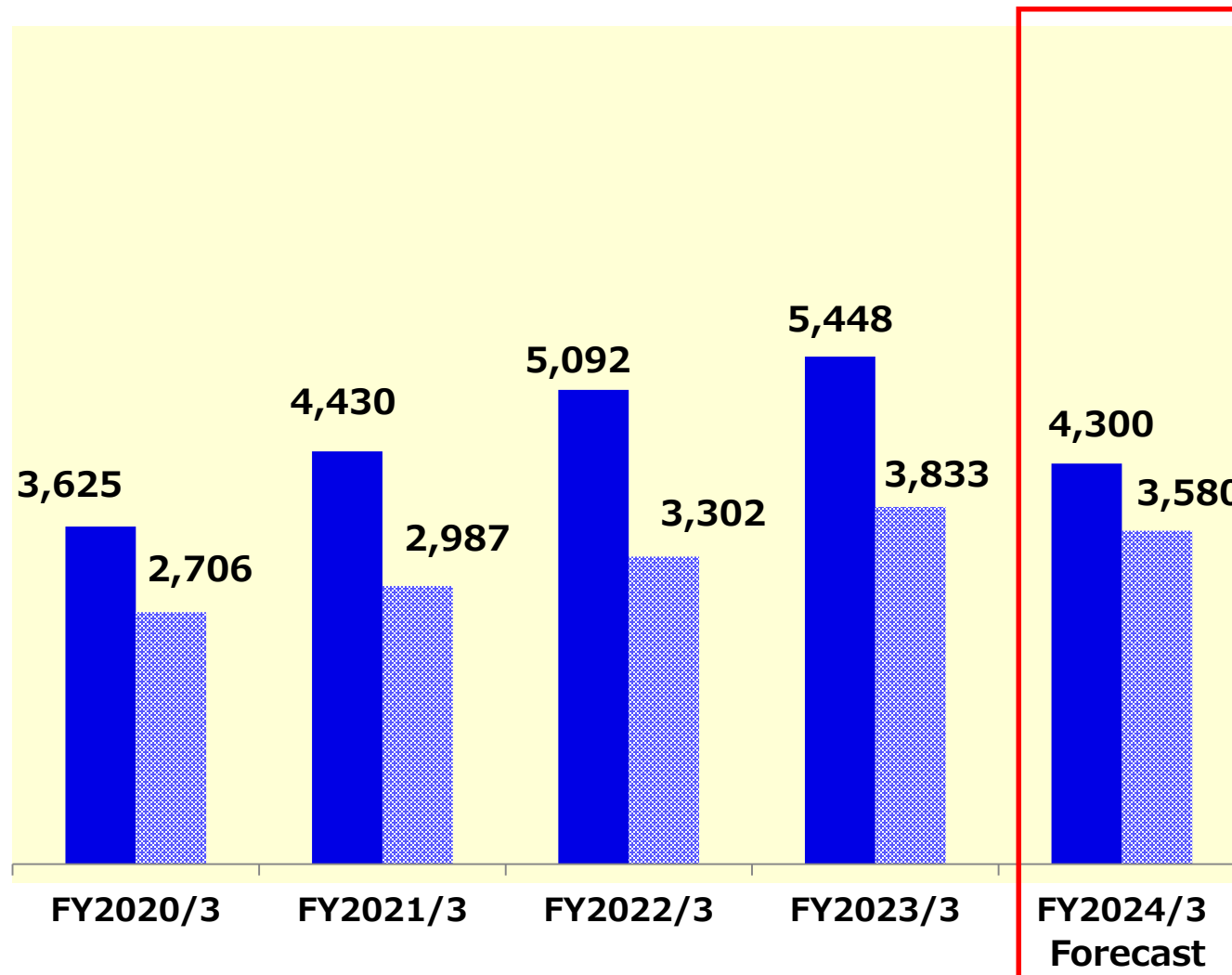
## < Personal communication equipment >

### < Prerequisite >

- FC :
- Demand for POS terminals was slugged down by the global recession
  - Demand are expected to recover in the second half
- MD :
- Demand growth because the situation of the hard-pressed medical front line has been mitigated
- operating profit is expected to be improved in the second half



# Forecast for Capital Investment and Depreciation



( Unit: Million yen )

Year on year

**Capital Investment ▲21.1%**

**Depreciation ▲6.6%**

※Forecast for capital investment  
FY 2024/3 including construction  
of MP Center, ¥ 800 million

# Dividends

( Unit: Yen per share )

	FY2020/3	FY2021/3	FY2022/3	FY2023/3	FY2024/3 * Figures in parentheses are forecast
Interim	14	16	18	25 <small>Including commemorative dividend 3 yen per share</small>	(22)
Year-end	16	20	22	25 <small>Including commemorative dividend 3 yen per share</small>	(22)
Annual	30	36	40	50	(44)
Consolidated payout ratio	17.7%	19.5%	19.8%	37.0%	(51.3%)

# Future Business Outlook

< 2023-2025 Medium-Term Management Plan >

**GO BEYOND**  
~Challenge the Next Stage~

**Takayuki Tokuma**  
Representative Director, President and Executive Officer



# Contents

1. Current Business Position
2. Basic Management Policy and Growth Strategies
3. Business Strategies
4. Capital Investment Plan
5. Medium-Term Management Targets

# 1. Current Business Position

# 1. Current Business Position

## ① Trends in results

### ● Trends in consolidated net sales and operating income

#### Net sales

80,000

70,000

60,000

50,000

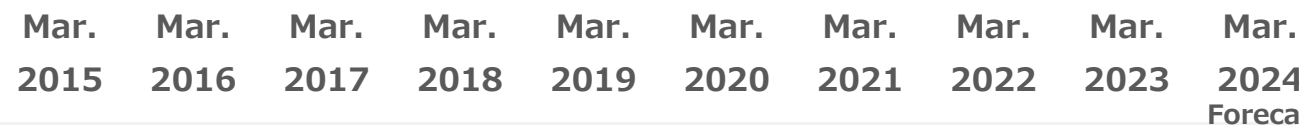
40,000

30,000

20,000

10,000

0



#### Operating profit

(Unit: Million yen)

8,000

7,000

6,000

5,000

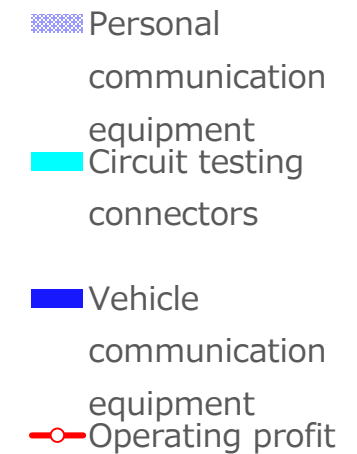
4,000

3,000

2,000

1,000

0

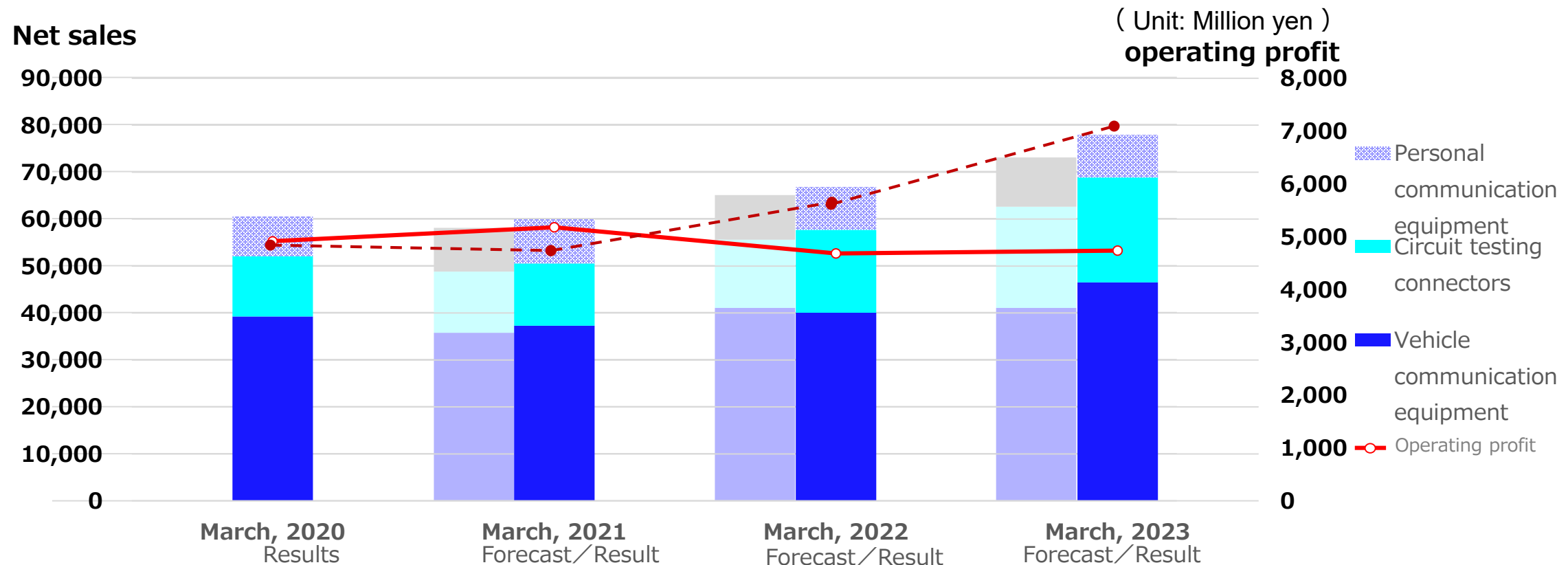


- FY 2021/3: Continued growth in both net sales and operating income. operating profit depended on CTC's profit
- FY 2022/3 2023/3: Net sales reached a record high driven by the weakening of yen. operating profit decreased due to loss in vehicle communication equipment.
- FY 2024/3: In the first half, demand for circuit testing connectors are expected to sluggish down. Vehicle communication equipment is expected to be profitable.

# 1. Current Business Position

## ● Trend in the financial result through New Med-Term Plan

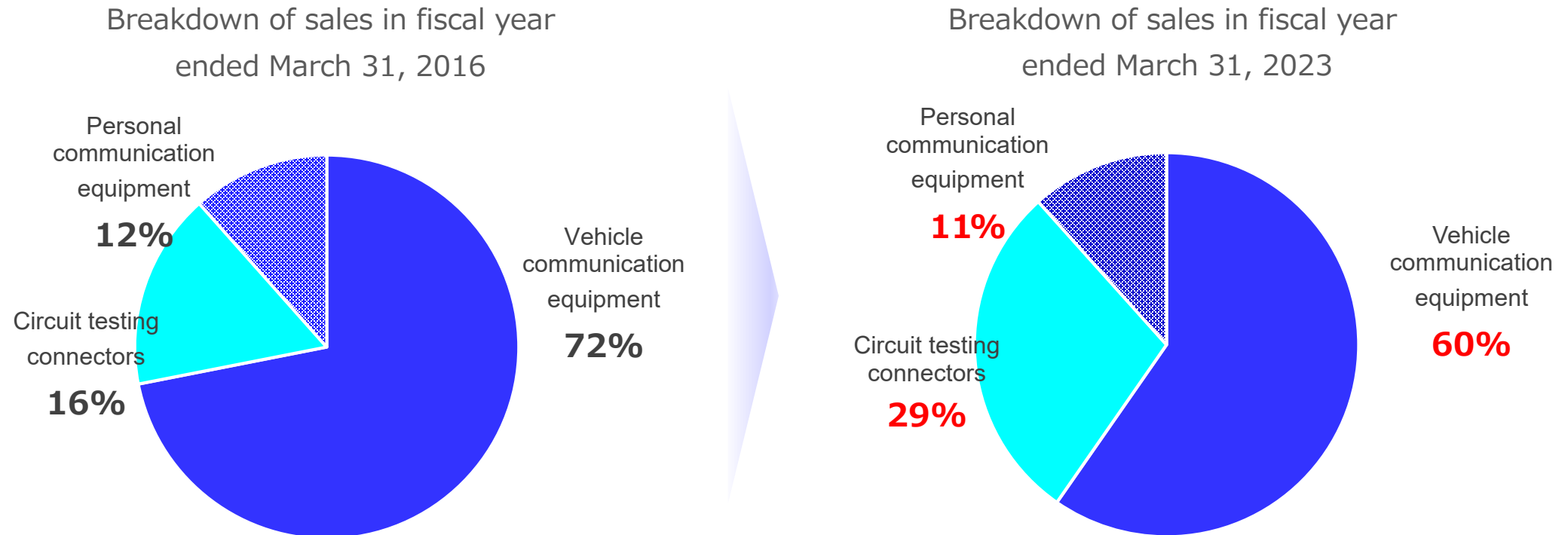
② Compared with New Med-term



- **Vehicle communication equipment :**  
Stable supply is top priority. Operating profit marked a huge loss due to the weakening of yen, despite sales are increased more than forecasts.
- **Circuit testing connectors :**  
Sales and operating profit are increased due to the weakening of yen and succeeding the capital expenditure for increasing production line.
- **Personal communication equipment:**  
Sales and operating profit of the fine connector business and the medical device business shortfall in plan due to difficulty in procurement of semiconductor and some materials and low demand for those market .

# 1. Current Business Position

## ③ Changes in the breakdown of sales

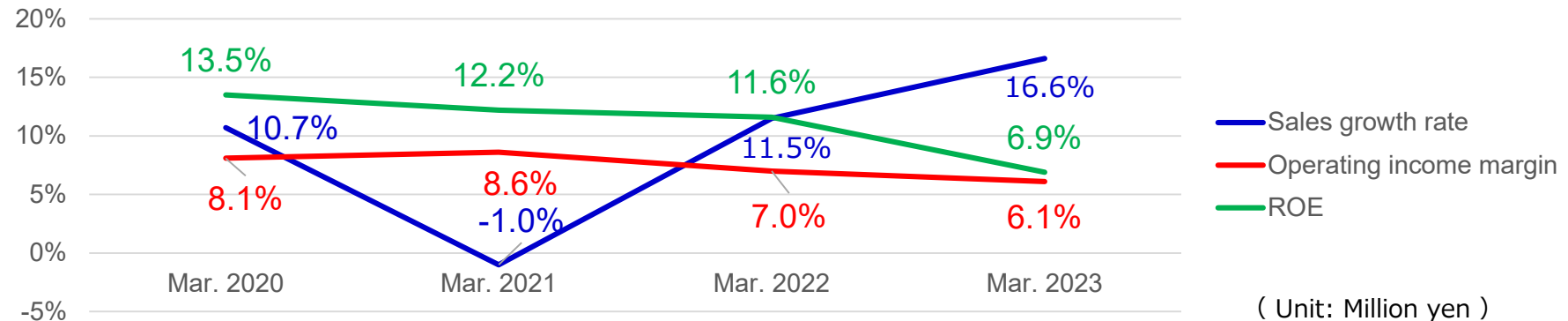


- The Company has been building a multi-layered business structure, especially Circuit Testing Equipment Segment, and as a result **the sales breakdown is well balanced.**

# 1. Current Business Position

④ Trends in major management indicators

## Indicator of Exceeding 8



Fiscal year	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023
Net sales	60,595	59,976	66,848	77,962
Operating income	4,916	5,179	4,684	4,739
Profit	3,440	3,818	4,663	3,147
Total assets	26,532	36,152	44,328	47,224

- **Companywide business growth (net sales growth rate), business earnings (ratio of operating profit to net sales) and capital profitability (return on equity (ROE)) have been used as indicators. Net sales are heavily dependent on vehicle communication equipment and operating profit on circuit testing connectors.**
  - **The vehicle communication equipment business, which strongly demands accurate, stable and predictable supply chains, were hit by the COVID-19 pandemic. The biggest earnings segment made a huge loss to reveal a weakness of the dependency structure.**
- ⇒ Company needs new aiming indicator, improves profit and enhances strength for each segment.**

## 2. Basic Management Policy and Growth Strategies

## 2. Basic Management Policy and Growth Strategies

Focus on capital efficiency

Although net sales hit a record high on a companywide basis,

- the VCCS business, the profitability of which has been at a low level for a long time has not been able to recover
- a huge loss through previous two fiscal years caused by the impacts on Covid-19 including restriction of production bases, fluctuating order by customer, stagnation on logistic, and high raw-material costs and Ocean flight costs
- liquidity on hand has not increased as expected because capital has not been generated due to ballooning inventories.

⇒ **From focus on sales to focus on capital efficiency**  
**From Achievement of Minimum 8 to Achievement of Minimum 10,**  
**aiming to improving profitability and strengthening of management**

### Achievement of Minimum 10

- **Growth rate of net sales**
- **operating profit margin**
- **ROIC for company and each segment** (Return On Invested Capital)
- **ROE** (Return On Equity)



## 2. Basic Management Policy and Growth Strategies

① Basic management policy



## 2. Basic Management Policy and Growth Strategies

### ④ Basic policy for Company-wide growth strategies

- Strengthening the growth and earnings base in the main markets (automobile, semiconductor inspection, mobile devices and B2B terminals)
- Expanding the MD business (medical field), which the Company aims to make a fourth core business
- Evolving business domains and business mixes, which will increase stability in growth and earnings in the entire Company by pursuing themes for business evolution



#### ★ Encouraging initiatives to build a multi-layered customer mix

- Focusing on customers that are expected to grow
- Developing new, promising customers by supporting initiatives to expand domains

#### ★ Endorsing product innovations that change customers' business models, the industry and market structures

- Participating innovative application projects
  - ⇒ ADAS, automatic driving, connected, MaaS, IoT, AI, 5G (high-speed, high-capacity transmission), and advanced medicine
- Developing strategic products that can change the industry structure

# 3. Business Strategies

# 3. Business Strategies

## ① Vehicle communication equipment

### Basic growth strategy

Regard major changes in the business and market environment, such as the rapid growth of the Indian market, connected, autonomous, shared, and electric (CASE) technologies, the rapid emergence of electric vehicles (EVs) and CO2 emissions reduction, as opportunities and execute a comprehensive overall reform of all factors from the cost of products to the business structure to transition to a business generating stable earnings.

### Subject for reconstructing a high-profitable business

- Promotion of fixed and variable cost structure reform
- Reviewing and improving business operation systems/business processes, increasing efficiency and eliminating loss costs
- Reviewing present investments and improving capital efficiency

#### Evolving products for new application areas

- Starting business with new customers in Indian markets.
- Expanding business for vehicle's entertainment in markets including United States.
- Launching new Products in response to structural changes in vehicle bodies

#### Multi-layered development and production

- Enhancing the development function at the base in Philippines and shifting production to Philippines from Vietnam production base
- Expanding the transfer of production capacity to the Vietnam base from the China baes
- Strengthening integrated management of development, manufacturing, and sales in China

#### Changing fixed cost structure

- Strengthening planning capability of reducing cost from product design
- Increasing efficiency by reorganizing the supply chain
- Expanding labor saving / automated production lines
- Simplifying production system in China

**Reconstructing VCCS business by changing the business and earnings structures**

# 3. Business Strategies

②Circuit testing connectors equipment

## Basic growth strategy

Evolve into a business that provides solutions to testing from the front-end to the back-end in semiconductor processing

**As the only semiconductor testing jig manufacturer with antenna technology in the world, the Company will provide world-class products and solutions.**

★Responding to the need for semiconductor (especially for communications and servers) testing, reflecting the emergence of AI, the IoT and 5G,

- Deepening and evolving the world-class micro precision processing technology and microwave technology,
- Introducing (possibly through M&A) and establish MEMS and a new molding technology underpinned by chemical technology,
- Encouraging the production process change and the utilization of digital-transformation and
- Promoting saving labor production base for BCP(Business Continuity Planning) with utilization of DX and RPF(Robotic Process Factory).

### **Evolution of the business model**

- Expanding and evolving turnkey businesses (from integrated production of testing jigs to provision of solutions)
- Strengthening the field application engineer (FAE) function
- Expansion of business domains by actively promoting alliances with external companies in all areas of development, manufacturing and sales

### **Strengthening production capacity and enhancing BCP structure for business expansion**

- Expanding the application of new 5S automatic production lines which are high efficient and utilized AI
- Increasing extra-fine probe production capacity significantly
- Expanding the production capacity and strengthening BCP structure by multi-layered supply-chain, such as establishing a production base in Vietnam and Japan.

### **Evolution of technologies and products**

- Significantly enhancing multi-pin, coaxial sockets for high-speed testing for data centers
- Strengthen the lineup of products for high frequencies
- Developing high temperature, high current probes for vehicle IC testing
- Expanding sales of YPX (probe cards for the measurement of high-frequency devices) in earnest
- Developing new products utilizing MEMS technology and new materials for new device terminals.
- Innovating new material in line with advanced devices

# 3. Business Strategies

③ Personal communication equipment: FC

## Basic growth strategy

**Build up the core competence to establish a competitive advantage and create new customer value based on Yokowo's uniqueness, in a bid to evolve into a connector solution provider.**

**Responding to the need for market differentiation and standard products in multiple markets, the Company will respond to the needs by providing sophisticated UX, user experience.**

- Developing the world smallest spring connector based on production technology,
- Reforming product cost based on core technology (especially design, material, and plating technologies)
- Enhancing product development and accelerate production speed by changing the supply chain and smart production line and
- Undertaking DX initiatives while changing business processes

### Evolution of the business model

- Redefining markets to target new region and product applications
- Developing product plan and sales management to respond target markets' feature, product price, product quality, and demands.
- Putting effort on new demands by utilizing internet tools, such as expanding web contents and installing Sales Force Automation.

### Increase in production capacity and sophistication

- Changing the supply chain based on local production for local consumption
- Smart production lines (5S automation lines) for breakaway from production lines which depend on individual skills and region
- Improving the plating process in Japan and Malaysia

### Evolution of technologies and products

- Innovating high quality spring connector for each target markets
- Undertaking initiatives for high reliability, high-functional plating, low-cost method, and utilization of CTC's micro processing

# 3. Business Strategies

④ Personal communication equipment: MD

## Basic growth strategy

Transforming into a global quality system through the Product-Cycle (from product developments to sales)  
Expanding business by evolving into a product development and a development-oriented OEM in the advanced medical field, and building a venture ecosystem

### To establish a fourth core business, Yokowo will expand business and contribute to society.

- ★ Following the trends toward minimally invasive operation to improve QOL, and the treatment of difficult-to-cure diseases by innovating medical technology.
- Proposing products, taking advantage of its competitive advantage in technology,
- Establishing a new technological advantage based on basic research, and
- Building a venture ecosystem based on the above.

#### Evolution of the business model

- Increased product prices and sales by acquisition of marketing approval
- Evolving into a development-oriented OEM (Integrated business system from product design to finished products)
- Building a venture ecosystem
- Creating independently designed products such as abdominal vein guidewire and nonvascular devices.

#### Increase in production capacity and sophistication

- Application of new 5S production lines
- Training employees to do several different things to be multi-skilling
- Transferring production to bases overseas to increase assembly capabilities and price competitiveness
- Building flexible trial production lines to support a venture ecosystem
- Enchaining the product control system and reconstructing QMS base

#### Evolution of technologies and products (high added value)

- Proposing high added-value products, leveraging Smartweld®, micro precision processing technology and microwave technology
  - ⇒ Devices with sensors
  - Devices for the brain
- Starting a high value-added stent business (femtosecond laser and electro-polishing)

# 3. Business Strategies

④ Incubation Center

## Basic growth strategy

**Making efforts aimed at creating new businesses and innovating business models towards MaaS, IoT and other new growth markets and to the optical communication market for higher-speed and larger-capacity communication.**

**Create new businesses and innovate business models to offer products and solutions that satisfy needs in drastically changing markets.**

- Accelerate the search for and collaboration with partners holding technologies satisfying customer needs without being confined to the Company's elemental technologies.
- Understand needs in global markets to evolve the business model from selling goods to selling experiences through the subscription business, etc.

### Develop a platform business

Diffuse Yokowo's strengths to the growing IoT industry and evolve into a business of combining digital technologies with software.

- Expanding sales of waterproof high-gain 4G/5G MIMO antennas to the IoT sector.
- Expanding vehicle key management solutions for MaaS and car rentals.

[Connect automotive equipment with the cloud (AWS) through MVNO services to implement remote control. Monetize the control service through subscription billing.]

[Form an alliance with an IT vendor for vehicle booking management to offer one-stop solutions to customers operating services.]

### Develop an advanced device business.

**Provide high-speed transmission device products with versatility and originality.**

- Working on mass production of optical connector products using the world's smallest-class photoelectric conversion device technologies.
- Evolving and enhancing optical connector products. [downsizing and lower power consumption, higher-speed transmission (12.5 Gbps, 25 Gbps and 50 Gbps), multi-pole high-density implementation]
- Forming a partnership with a high frequency coaxial connector manufacturer to improve the capacity to support high-speed transmission devices.



# 4. Capital Investment Plan

# 4. Capital Investment Plan

New investments for growth and strengthening infrastructure

Domain	Investment Policy · Main Theme	FY2024/3~FY2026/3 Investment
VCCS	<ul style="list-style-type: none"> <li>■ Invest in upgrades to improve cost competitiveness while securing continued stable supply. Implement them after careful selection having streamlined investment as a basic stance.</li> <li>· Expanding the transfer of production capacity the China base → the Vietnam base / the Vietnam base → the Philippines bases</li> <li>· Strengthening and expanding business structure including sales, technologies and production at joint venture India where the market is expected to grow.</li> </ul>	3,200
CTC	<ul style="list-style-type: none"> <li>■ In view of weak orders received, limit investments in massive capacity improvement in the foreseeable future. However, continue making the minimum necessary investments to ensure that opportunities can be seized in the coming recovery phase.</li> <li>· Increasing extra-fine probe production capacity significantly</li> <li>· Developing new products for the need of multi-pinned devices</li> <li>· Developing probe cards (YPX) to respond to the need for high-frequency.</li> <li>■ Full-scale introduction of micro precision processing technology with chemical technology (MEMS)</li> </ul>	8,500
FC	<ul style="list-style-type: none"> <li>■ Expanding the production lines and machines addressing to improve product quality stability and production efficiency.</li> <li>· Expanding and improving 5S automated production lines</li> </ul>	700
MD	<ul style="list-style-type: none"> <li>■ Expanding on micro-precision processing technology and mass production lines for core products to grow the business.</li> <li>· Reinstalling processing machines for grinding and coiling</li> <li>· Expanding mass production line for guide wire</li> </ul>	800
Other	<ul style="list-style-type: none"> <li>· Expansion of solar power generation facilities and introduction of the company car (EV) charging facilities</li> <li>· Introduction and construction of a system for the introduction of a JOB-type personnel system.</li> </ul>	800
All		14,000

# 5. Medium-Term Management Targets

# 5. Medium-Term Management Targets

① Med-term target

		FY 2021/3	FY 2022/3	FY 2023/3	FY 2024/3 Forecast	FY 2026/3 Target
<b>Net sales</b>		59,976	66,848	77,962	77,000	<b>90,000</b>
	Vehicle communication equipment	37,292	40,081	46,520	49,700	<b>50,000</b>
	Circuit testing connectors equipment	13,242	17,692	22,374	18,500	<b>28,000</b>
	Personal communication equipment	9,441	9,141	9,067	8,500	<b>10,000</b>
	Incubation Center	-	-	-	300	<b>2,000</b>
<b>Operating profit</b>		5,179	4,684	4,739	3,200	<b>8,100</b>
<b>Ordinary profit</b>		5,320	6,572	5,675	2,750	<b>7,800</b>
<b>Profit</b>		3,818	4,663	3,147	2,000	<b>5,500</b>
Minimum 8 ⇒ Minimum 10	Growth rate of net sales	-1.0%	11.5%	16.6%	-1.2%	<b>[8.0%]</b>
	Operating profit margin	8.6%	7.0%	6.1%	4.2%	<b>9.0%</b>
	ROE	12.2%	11.6%	6.9%	4.3%	<b>10%over</b>
	Operating profit Growth rate		[-9.6%]	[1.2%]	[-32.5%]	<b>59.1%</b>
	ROIC	[8.7%]	[6.6%]	[5.8%]	[4.7%]	<b>9~10%</b>
Average dollar/yen exchange rate for the period		106.10	112.39	135.49	130.00	130.00

( Unit: Million yen )

[Reference]

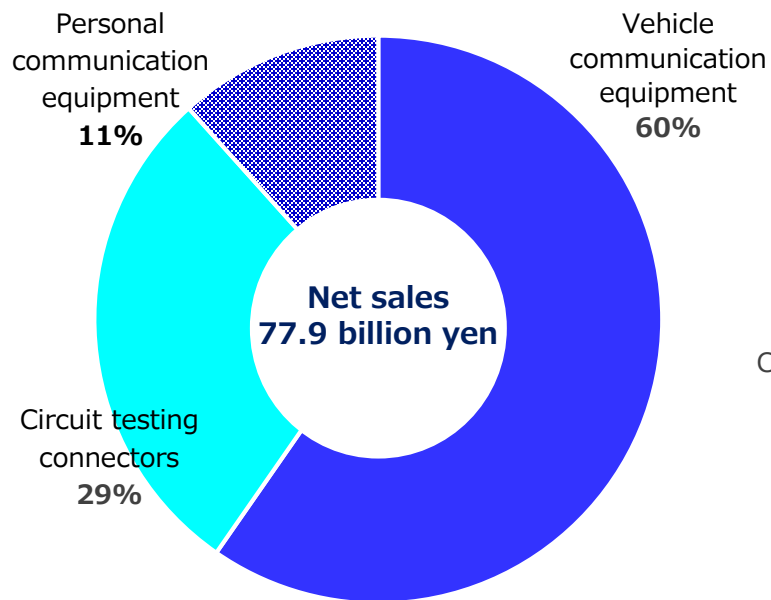
## Point for FY2026, March Target :

- ① Improving profitability in the Vehicle Communication Equipment and recovering the growth of Circuit Testing equipment through further diversification of markets and customers
- ② Full-scale growth of the MD business through the launch of new venture ecosystem products

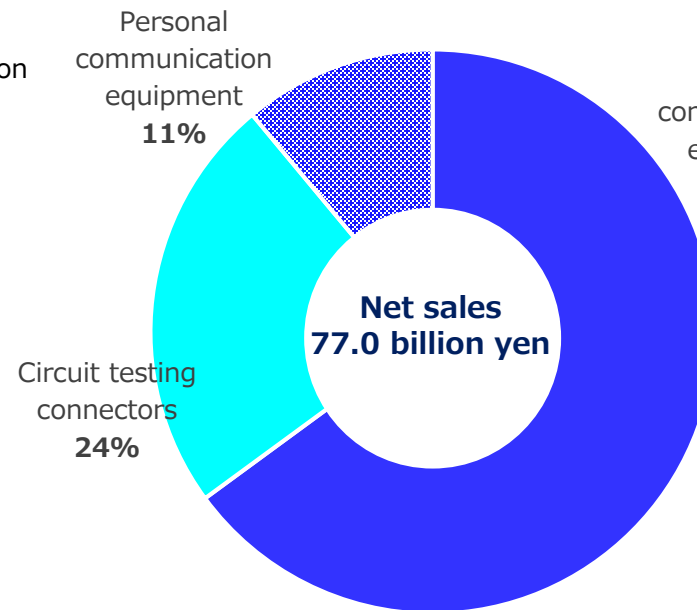
# 5. Medium-Term Management Targets

② Expected the breakdown of sales by segment

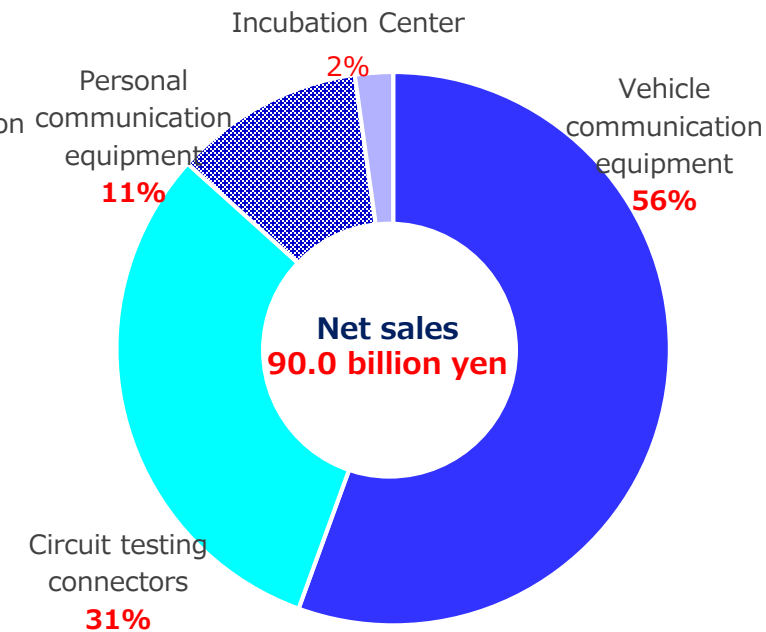
Breakdown of sales in  
fiscal year ended March 31, 2023



Expected breakdown of sales in  
fiscal year ending March 31, 2024



Expected breakdown of sales in  
fiscal year ending March 31, 2026



- Aiming to the balanced sales breakdown

**Thank you**

***yokowo***