

**yokowo**

(Securities Code: 6800)

# Financial Results Briefing for the Third Quarter of the Fiscal Year Ending March 31, 2024

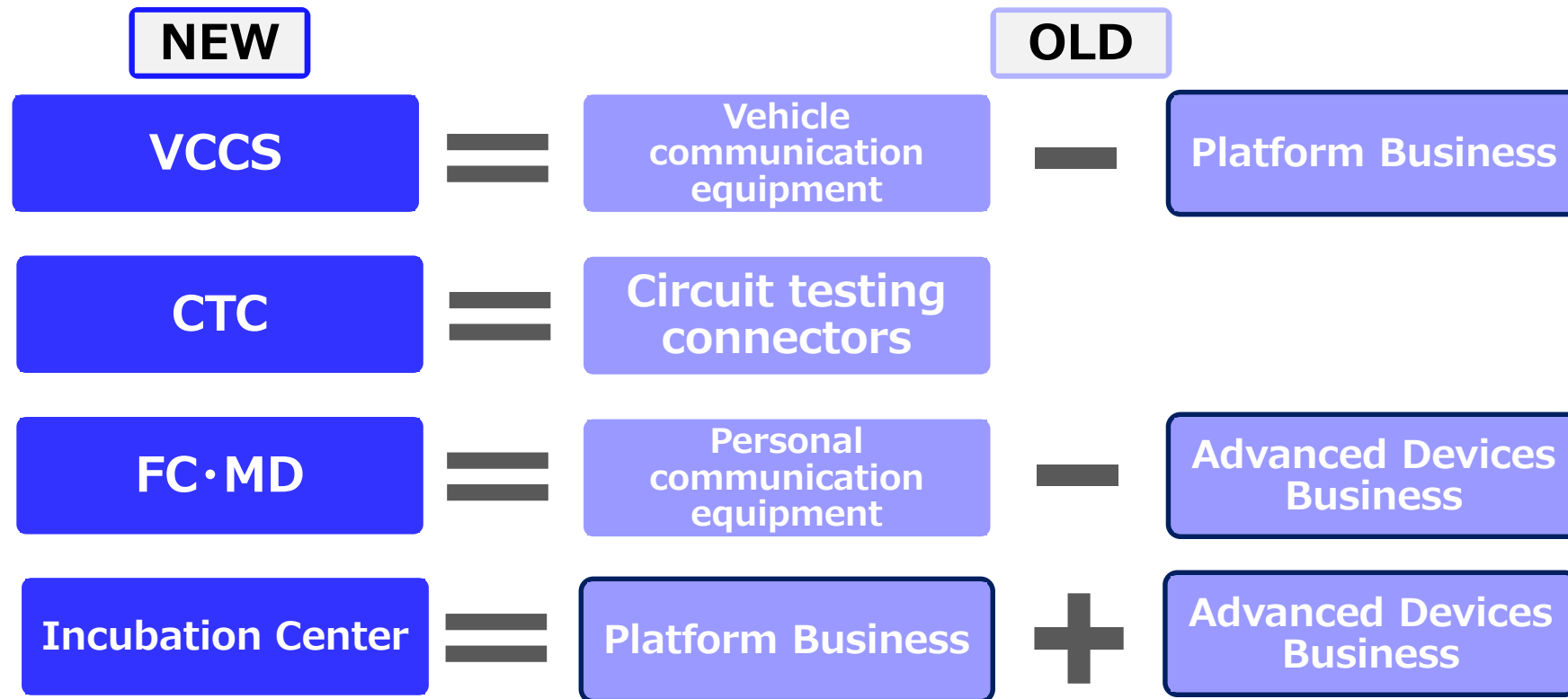
February 8, 2024

**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.**

# Summary of Consolidated Financial Results

Effective from the first quarter of the consolidated fiscal year under review, the Company had changed the classifications and names of its reporting segments as follows.



The Platform Business, which is part of the Incubation Center segment, works to develop more advanced and high value-added strategic products in new fields including advanced driving assistance systems (ADAS), autonomous driving, and connected cars. In addition, the Advanced Device Business promotes the development of high-speed transmission device products that boast versatility and originality to the optical communications market, with the aim of achieving high-speed, high-capacity communications.

# Summary of Consolidated Financial Results

|                  | Average exchange rate<br>for the period<br>USD1: ¥136.49 | Average exchange rate<br>for the period<br>USD1: ¥143.32 | (Unit: Million yen) |
|------------------|--|--|---------------------|
|                  | Previous third quarter<br>(Apr. – Dec. 2022)<br>Results  | Third quarter review<br>(Apr. – Dec. 2023)<br>Results    | YoY                 |
| Net sales        | 60,278   | <b>57,104</b>  | ▲5.3%               |
| Operating profit | 5,100  | <b>747</b>   | ▲85.3%              |
| Ordinary profit  | 6,619  | <b>1,764</b>   | ▲73.3%              |
| Profit           | 4,422  | <b>963</b>   | ▲78.2%              |

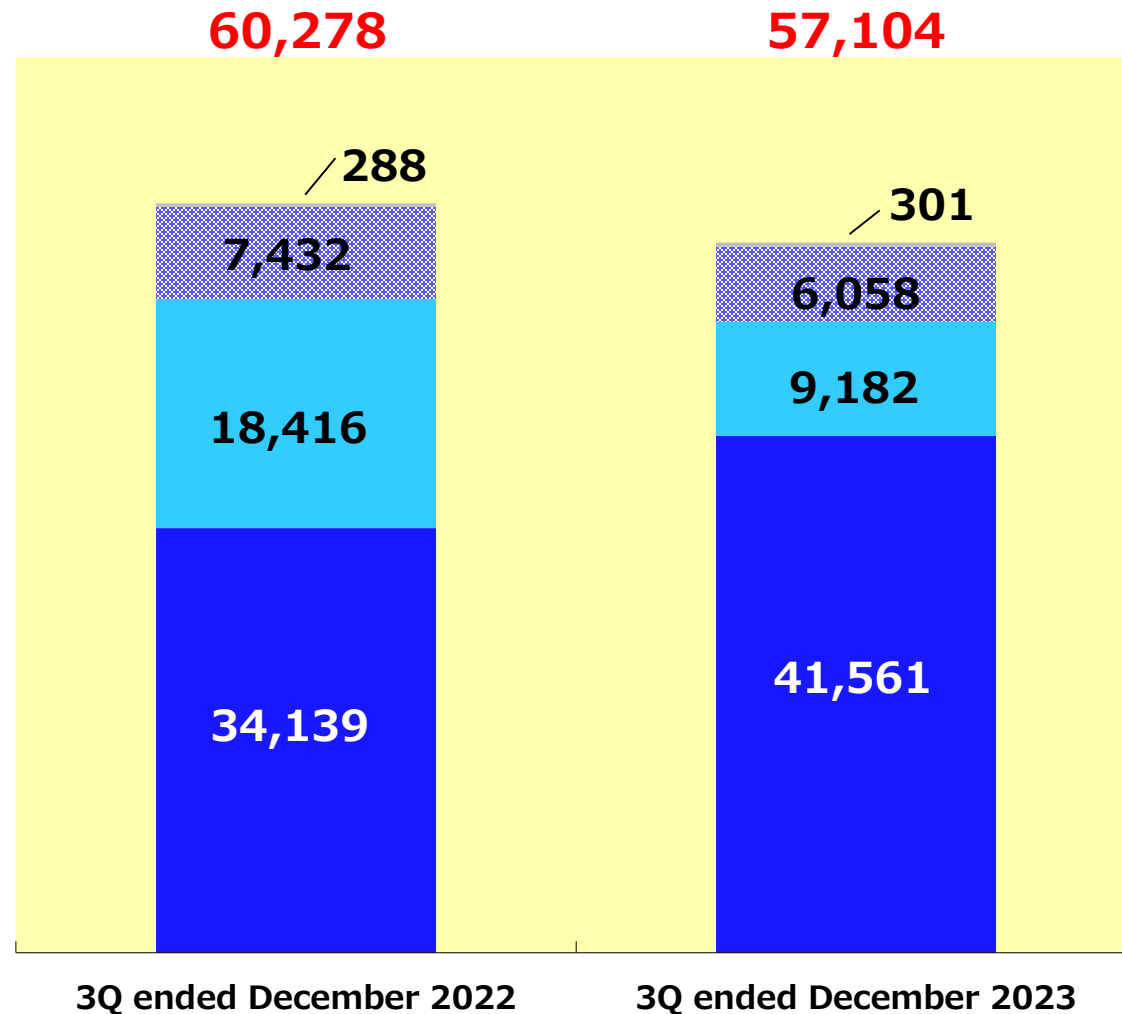
**Net sales** amounted to ¥57,104 million reflecting decreased year-on-year sales in both CTC and FC·MD segment, despite increased year-on-year sales in VCCS segment.

**Operating profit** decreased to ¥747 million because decreased profit in FC·MD segment while decreased sales and a loss in CTC and Incubation Center segment although VCCS segment profitability had been improved significantly.

**Ordinary profit** increased to ¥1,764 million, reflecting an exchange gain of ¥1,062 million.

**Profit** decreased to ¥963 million due to a decreased in ordinary profit.

## Trends in Net Sales by Segment



(Unit: Million yen)



Year on year

The whole Company ▲5.3%

Incubation : " +4.5%

FC·MD : " ▲18.6%

CTC : " ▲50.1%

VCCS : " +20.8%

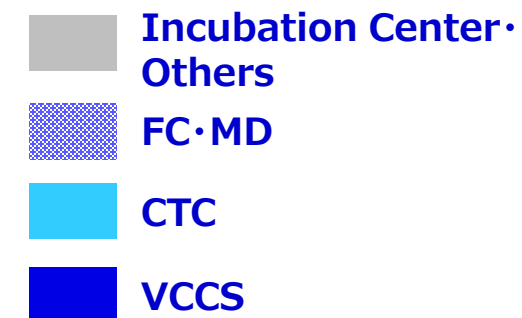
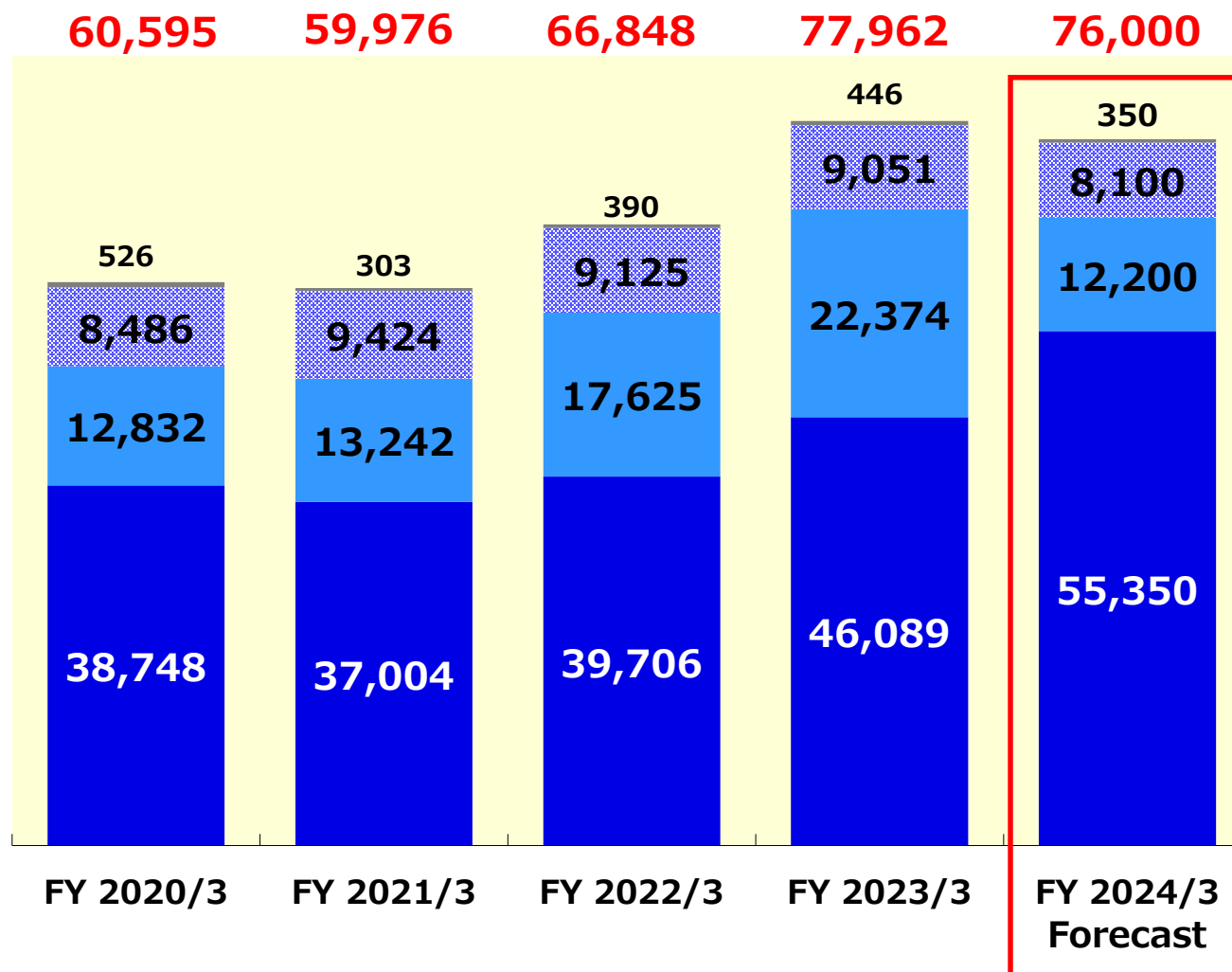
# Full-year Results Forecast

|                  | Average exchange rate for the period<br>USD1: ¥135.49 | Assumed exchange rate<br>USD1: ¥145<br>(from this February to the end of this fiscal year) |                              | (Unit: Million yen) |                                    |
|------------------|---|--|------------------------------|---------------------|------------------------------------|
|                  | FY2023/3<br>Results                                   | FY2024/3<br>Previous forecast<br>(Announced in<br>Nov. 2023)                               | FY2024/3<br>Current forecast | YoY                 | Compared with<br>previous forecast |
| Net sales        | 77,962  | 75,000   | <b>76,000</b>                | ▲2.5%               | +1.3%                              |
| Operating profit | 4,739   | 200  | <b>1,000</b>                 | ▲78.9%              | +400.0%                            |
| Ordinary profit  | 5,675   | 1,400  | <b>2,400</b>                 | ▲57.7%              | +71.4%                             |
| Profit           | 3,147   | 750  | <b>1,400</b>                 | ▲55.5%              | +86.7%                             |

No revisions to the assumed exchange rate

# Expected Net Sales by Segment

(Unit: Million yen)



|                          |      |               |
|--------------------------|------|---------------|
| <b>Year on year</b>      |      |               |
| <b>The whole Company</b> |      | <b>▲2.5%</b>  |
| <b>Incubation</b>        | : // | <b>▲27.7%</b> |
| <b>FC·MD</b>             | : // | <b>▲10.5%</b> |
| <b>CTC</b>               | : // | <b>▲45.5%</b> |
| <b>VCCS</b>              | : // | <b>+20.1%</b> |

FY 2024/3 forecast has been revised below.

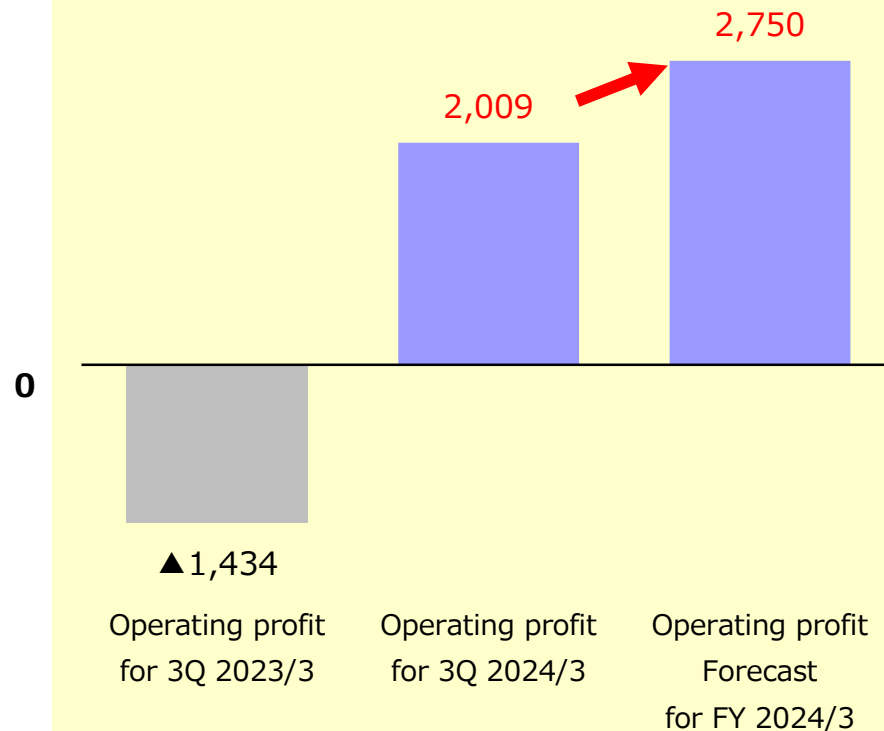
- Net sales in VCCS increased ¥450 million driven by increased sales, improving profitability by business structure reform and decreased physical distribution costs
- Net sales in CTC increased ¥200 million associated with increase in those sales.
- Net sales in FC·MD increased ¥400 million associated with increase in those sales.

# Forecast for Operating profit by segment

## <VCCS>

### < Prerequisite >

- A full-scale recovery in production at automobile manufacturers are continued.
- The global shortage of semiconductor is normalized
- Operating profit is expected to be profitable driven by increased sales, improving profitability by business structure reform and decreased physical distribution costs.

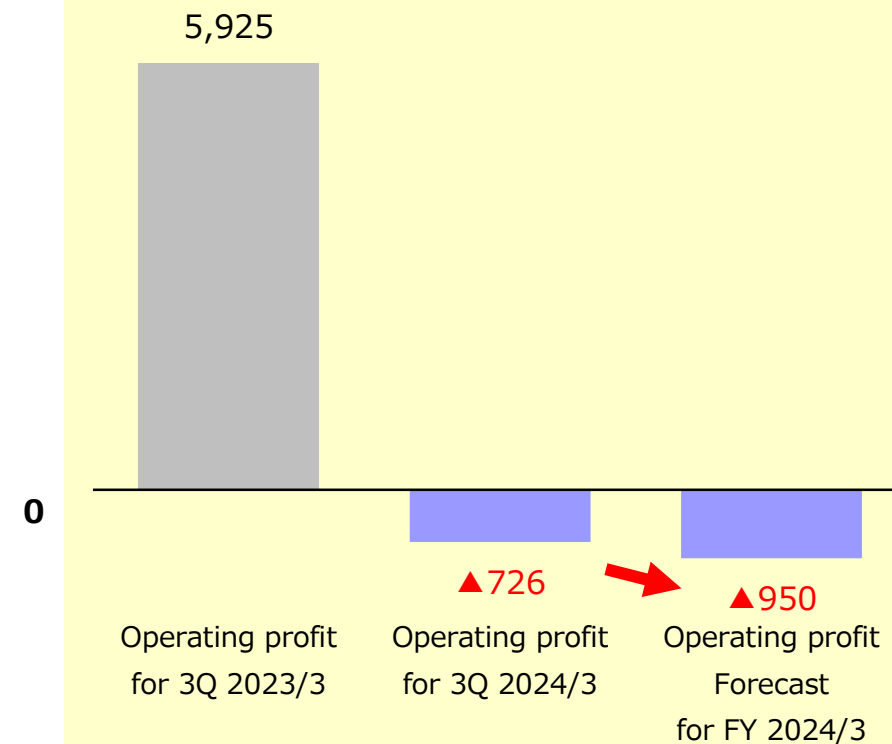


## <CTC>

(Unit: Million yen)

### < Prerequisite >

- Downturn of semiconductor has been bottomed out and is recovered in the next fiscal year.
- From FY2024/3 4Q to FY2025/3, operating profit is expected to be gradually recovered.



# Forecast for Operating profit by segment

## <FC·MD>

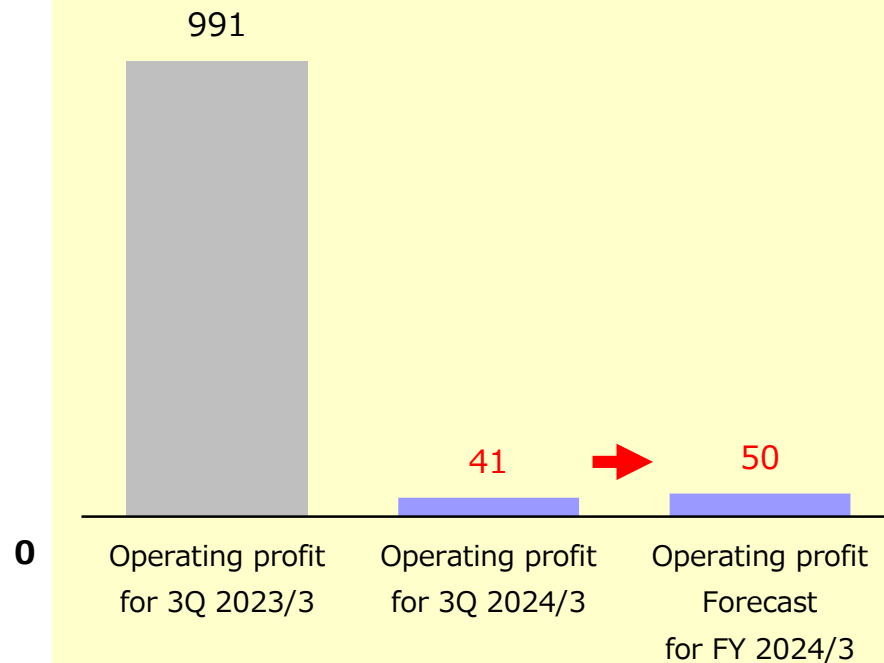
### < Prerequisite >

#### FC

- Market are steadily recovered in line with the customer's liquidating excess inventories

#### MD

- Demand for minimally invasive medical procedures grow
- Operating profit is expected to be turned profitable, increased to ¥50 million.

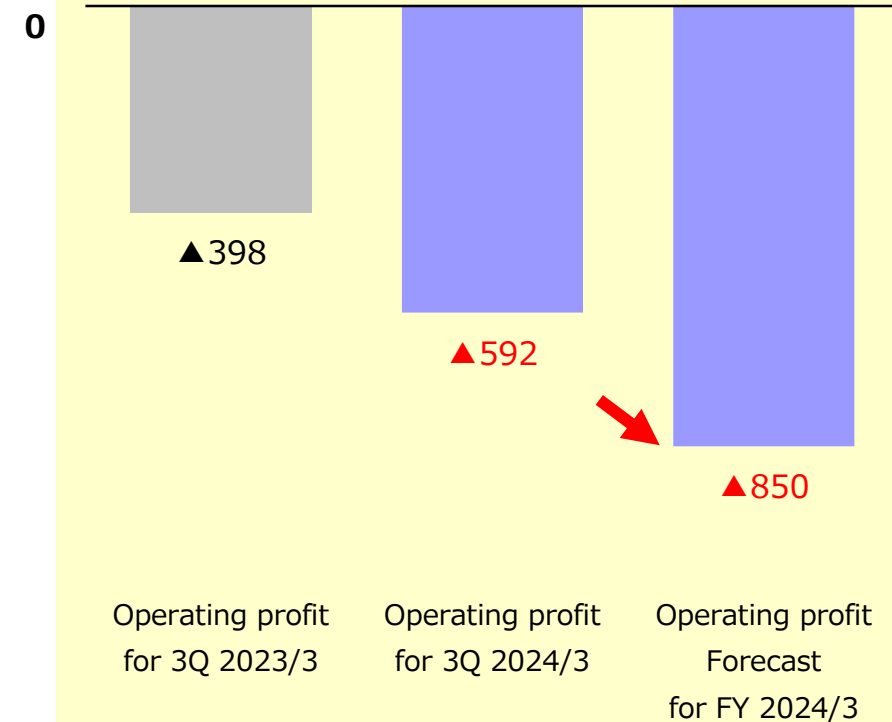


## <Incubation Center>

(Unit: Million yen)

### < Prerequisite >

- The MaaS/IoT markets grow steadily by widespread adaptation of the advance of mobility and IoT
- Net sales are small scale because of focusing on development for new businesses
- Operating loss is expected to accounts ▲¥850 million.





# Dividends

(Unit: Yen per share)

|                           | FY2020/3 | FY2021/3 | FY2022/3 | FY2023/3 | FY2024/3<br>* Figures in parentheses are forecast. |
|---------------------------|----------|----------|----------|----------|--|
| Interim                   | 14       | 16       | 18       | 25       | 22   |
| Year-end                  | 16       | 20       | 22       | 25       | (22)   |
| Annual                    | 30       | 36       | 40       | 50       | (44)   |
| Consolidated payout ratio | 17.7%    | 19.5%    | 19.8%    | 37.0%    | (73.3%)  |

**No revisions to dividend forecast**