

# Financial Results Briefing for the Fiscal Year Ended March 31, 2025

May 20, 2025



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

## ■ Financial Results for the Fiscal Year Ended March 31, 2025

Toshihisa Tagaya

Executive Officer,  
SCI H.Q. Chief Officer

## ■ Future Business Outlook

New Medium-Term Management Plan 2024~2028 (Updated: May 2025)

Takayuki Tokuma

Representative Director,  
President and Executive Officer

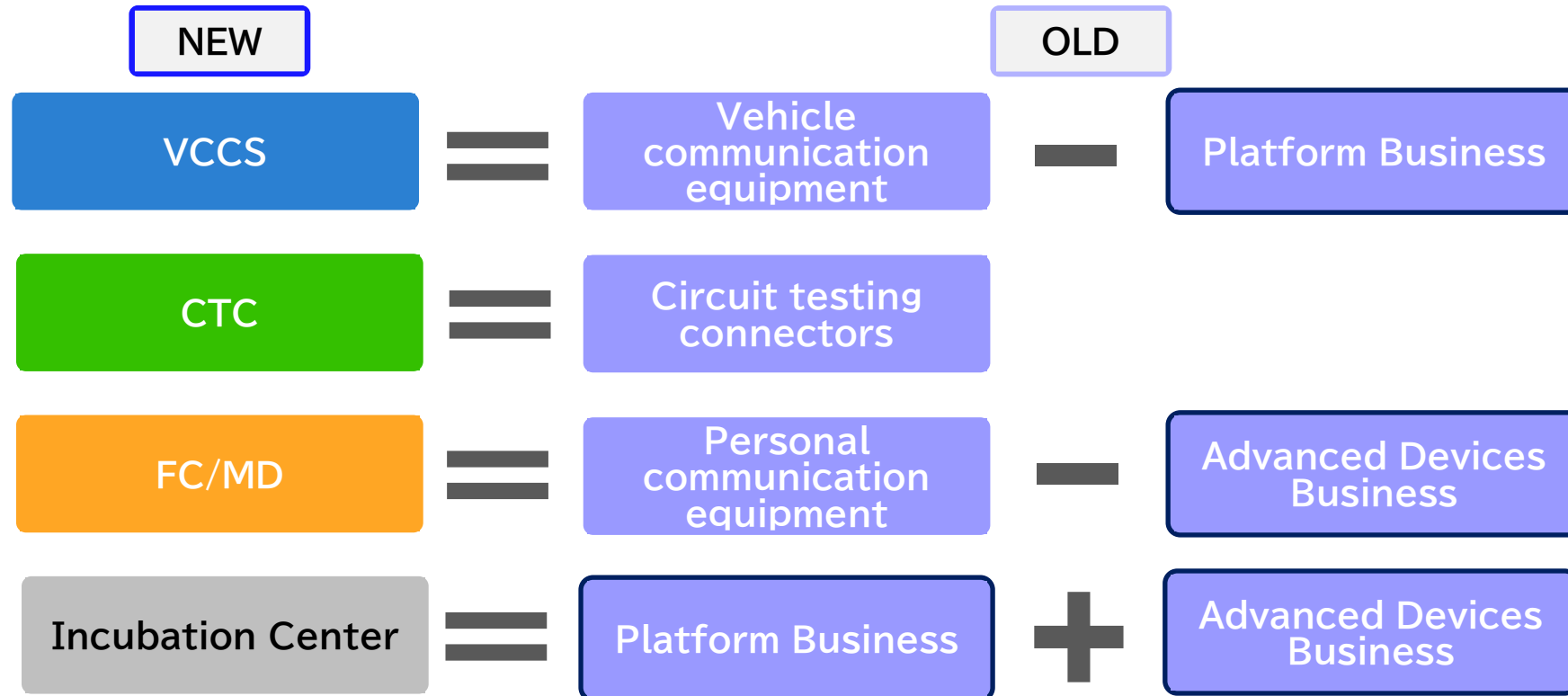
# Financial Results for the Fiscal Year Ended March 31, 2025

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Toshihisa Tagaya  
Executive Officer,  
SCI H.Q. Chief Officer

# Changes in Segment Classifications

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



Platform Business, advanced driving assistance systems (ADAS), autonomous driving, and connected cars. In addition, Advanced Devices Business which is part of the Incubation Center segment, works to develop more advanced and high value-added strategic products in new fields including 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. However, the Company disbanded developmentally the Advanced Devices Business as a photoelectric conversion project for the semiconductor testing market.

# Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025

( Unit: Million yen )

◆ **VCCS**(Vehicle Communication Comfort & Safety  
:Former 「Vehicle communication equipment」 – 「Platform Business」

**Net sales**                      55,961 (YoY +0.7%)

**Operating profit**            2,838 (YoY ▲8.4%)

◆ **CTC**(Circuit Testing Connector)  
:Former 「Circuit testing connector」

**Net sales**                      15,614 (YoY +24.1%)

**Operating profit**            1,479(▲794 in the previous FY)

◆ **FC/MD**(Fine Connector / Medical Devices)  
:Former 「Personal communication equipment」 –  
「Advanced Devices Business」

**Net sales**                      11,032 (YoY +31.8%)

**Operating profit**            789(YoY +571.8%)

◆ **Incubation Center**  
:Former 「Platform Business」・「Advanced Devices Business」

**Net sales**                      271 (YoY ▲21.7 %)

**Operating profit**            ▲886(▲881 in the previous FY)

◆ Ordinary profit and Profit attributable to owners of parent

**Ordinary Profit**    3,926( YoY +5.8% )

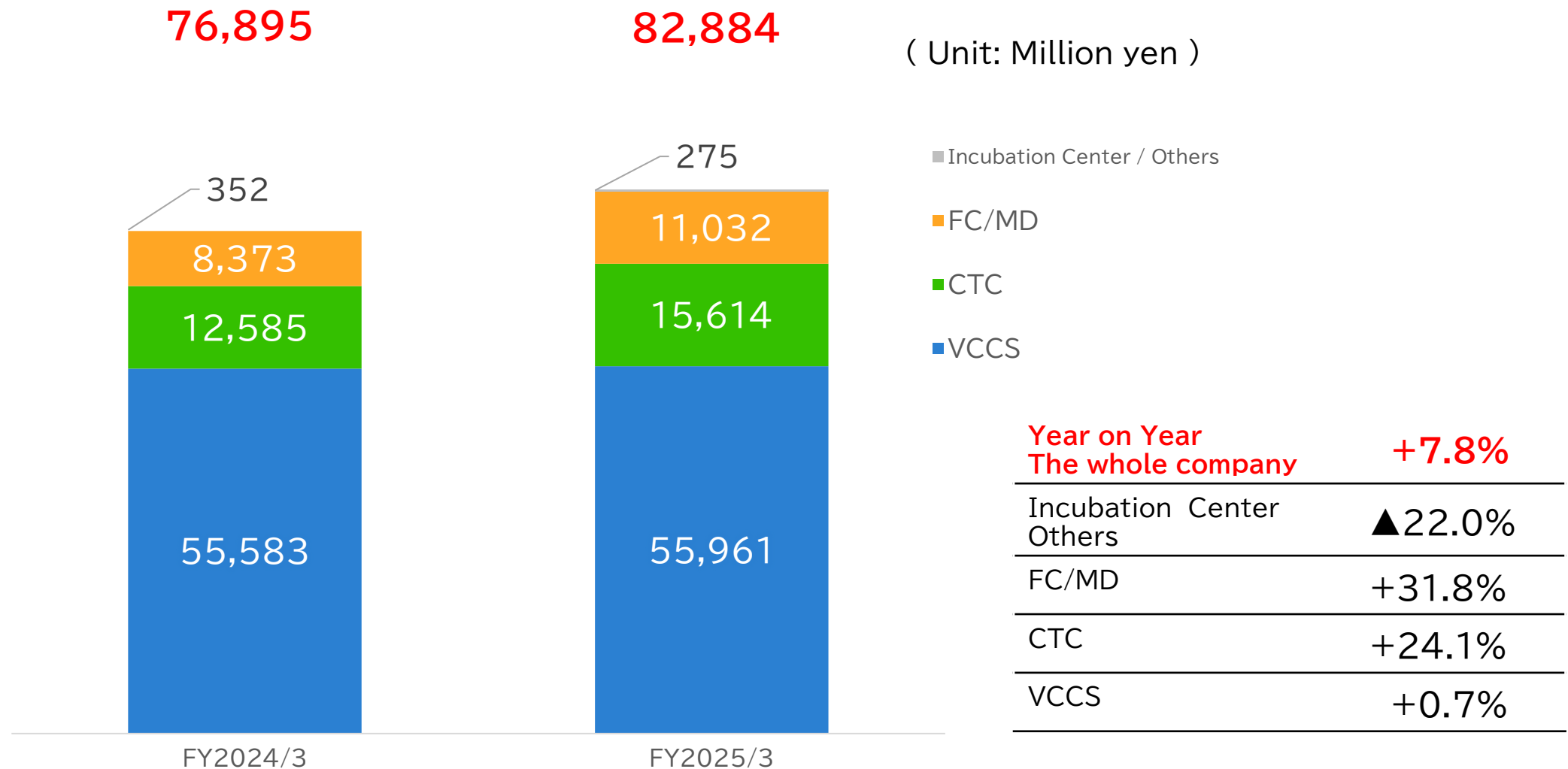
**Profit**    575( YoY +47.4% )

# Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025

		Average exchange rate 1 \$: ¥144.58	Assumed exchange rate after February 2025 1 \$: ¥150.00	Average exchange rate 1 \$: ¥152.60	( Unit: Million yen )	
	FY 2024/3 Results	Previous Review (Announced in February 2025) Forecast	FY 2025/3 Results	YoY	Compared with Previous Forecast	
Net sales	76,895	82,000	82,884	+7.8%	+1.1%	
Operating profit	1,617	4,000	4,226	+161.2%	+5.7%	
Ordinary profit	3,710	3,650	3,926	+5.8%	+7.6%	
Profit	1,511	2,350	2,227	+47.4%	▲5.2%	

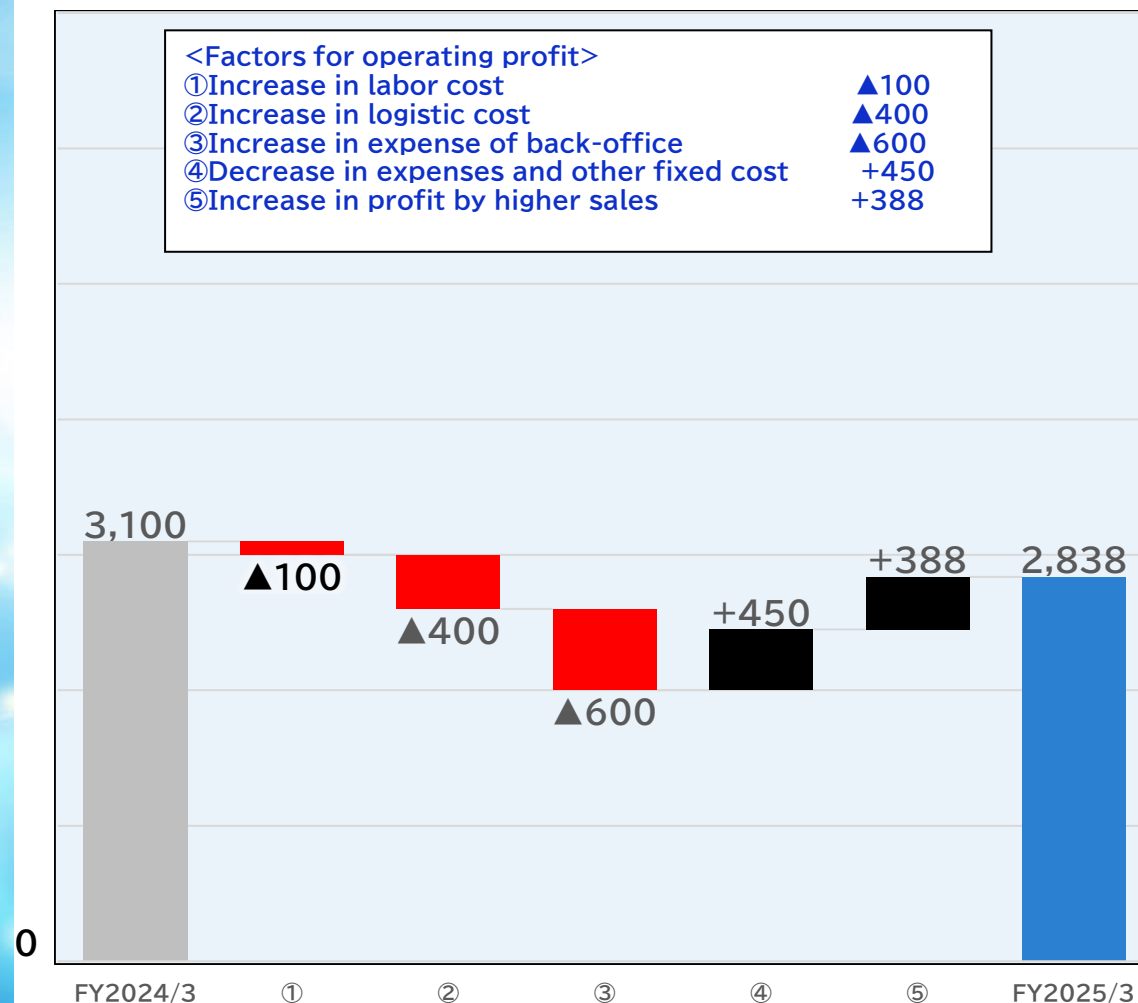
Amounts are rounded down to the nearest million yen.

# Trend in Net Sales by segment



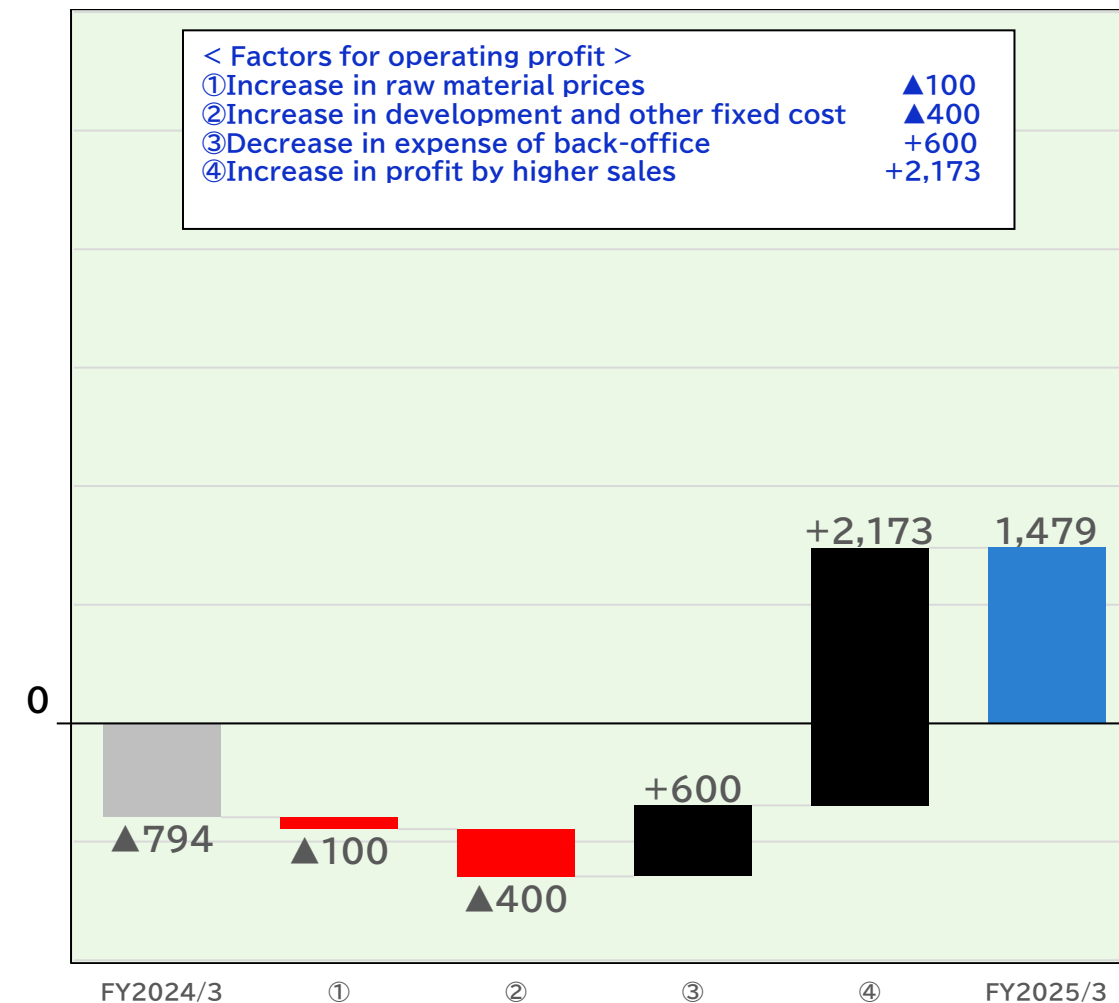
# Analysis of gain and loss for operating profit by segment (YoY)

## <VCCS>



## <CTC>

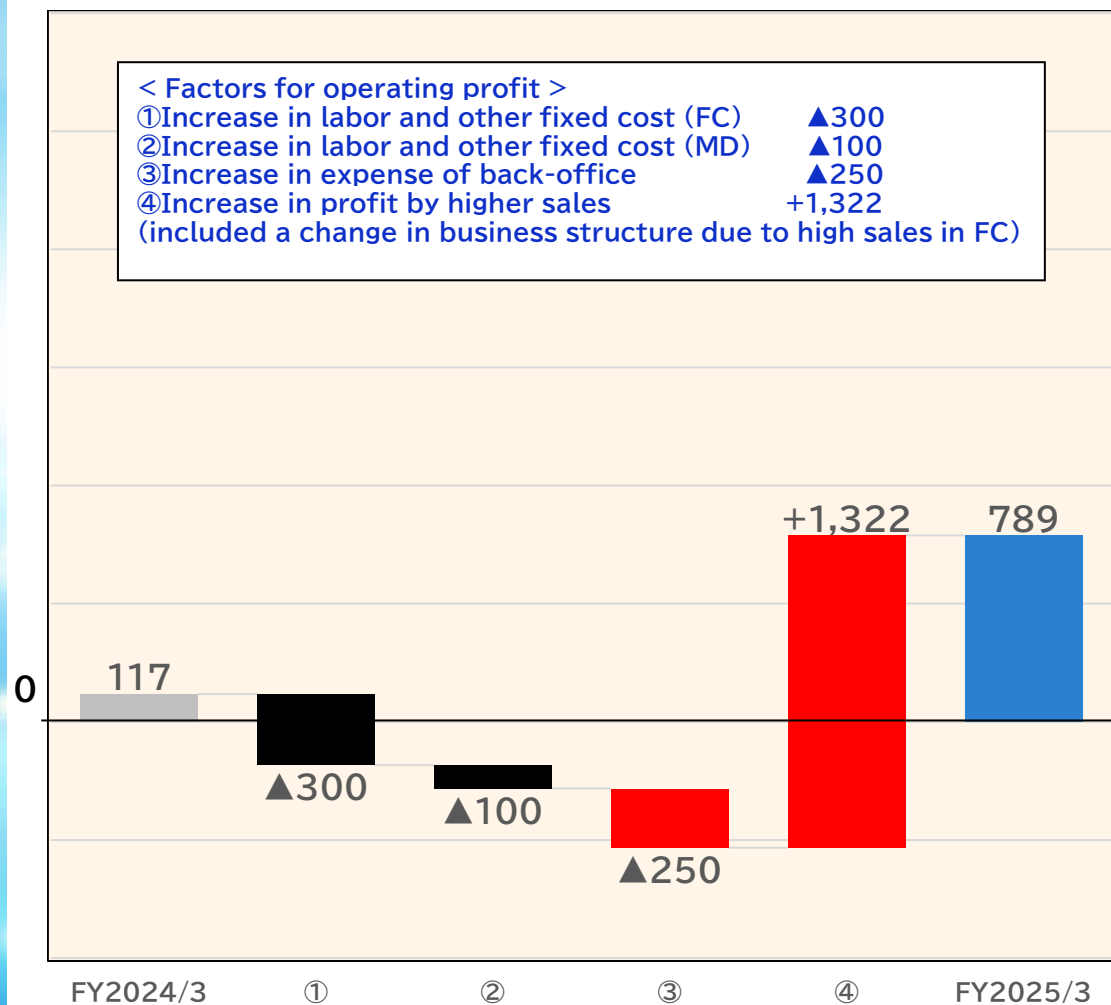
( Unit: Million yen )





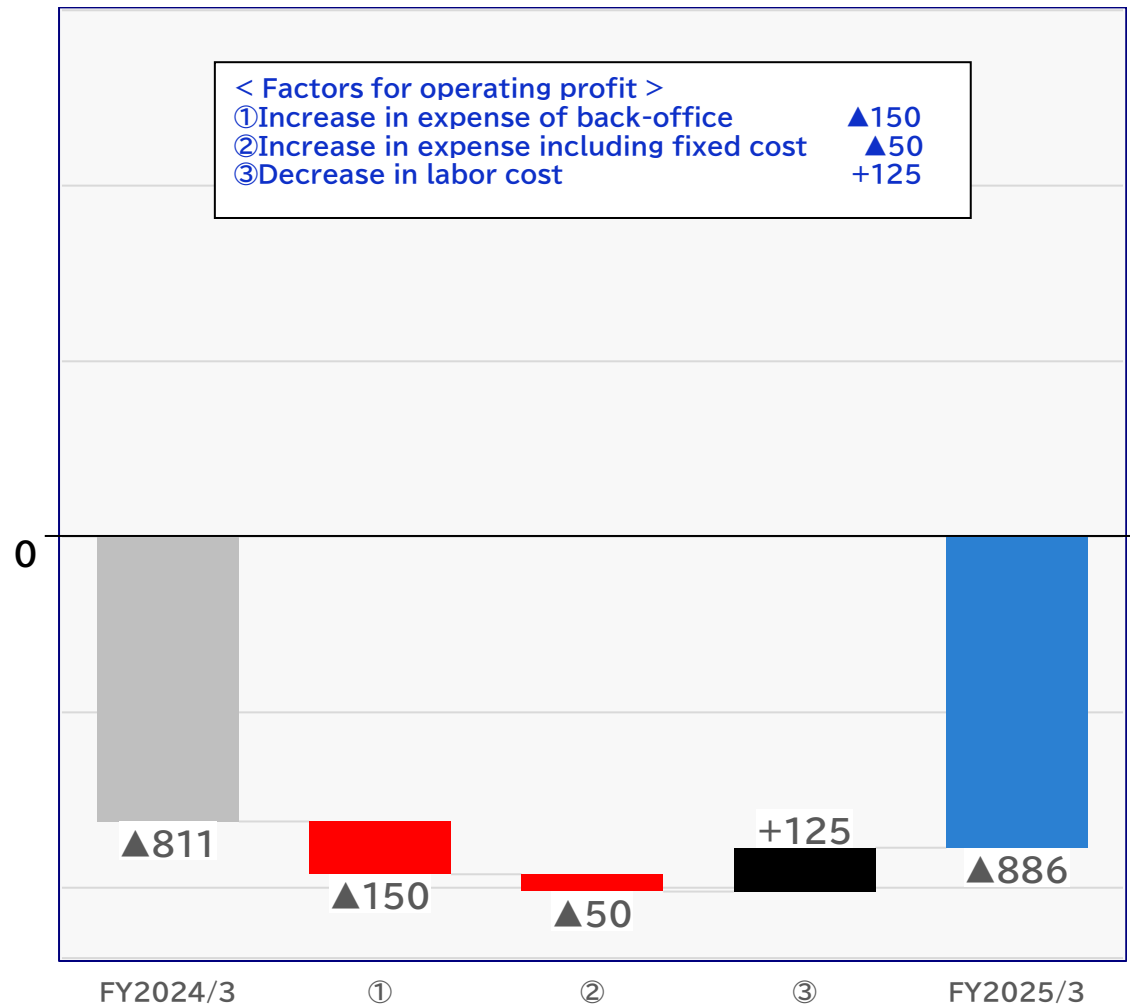
# Analysis of gain and loss for operating profit by segment (YoY)

## <FC/MD>

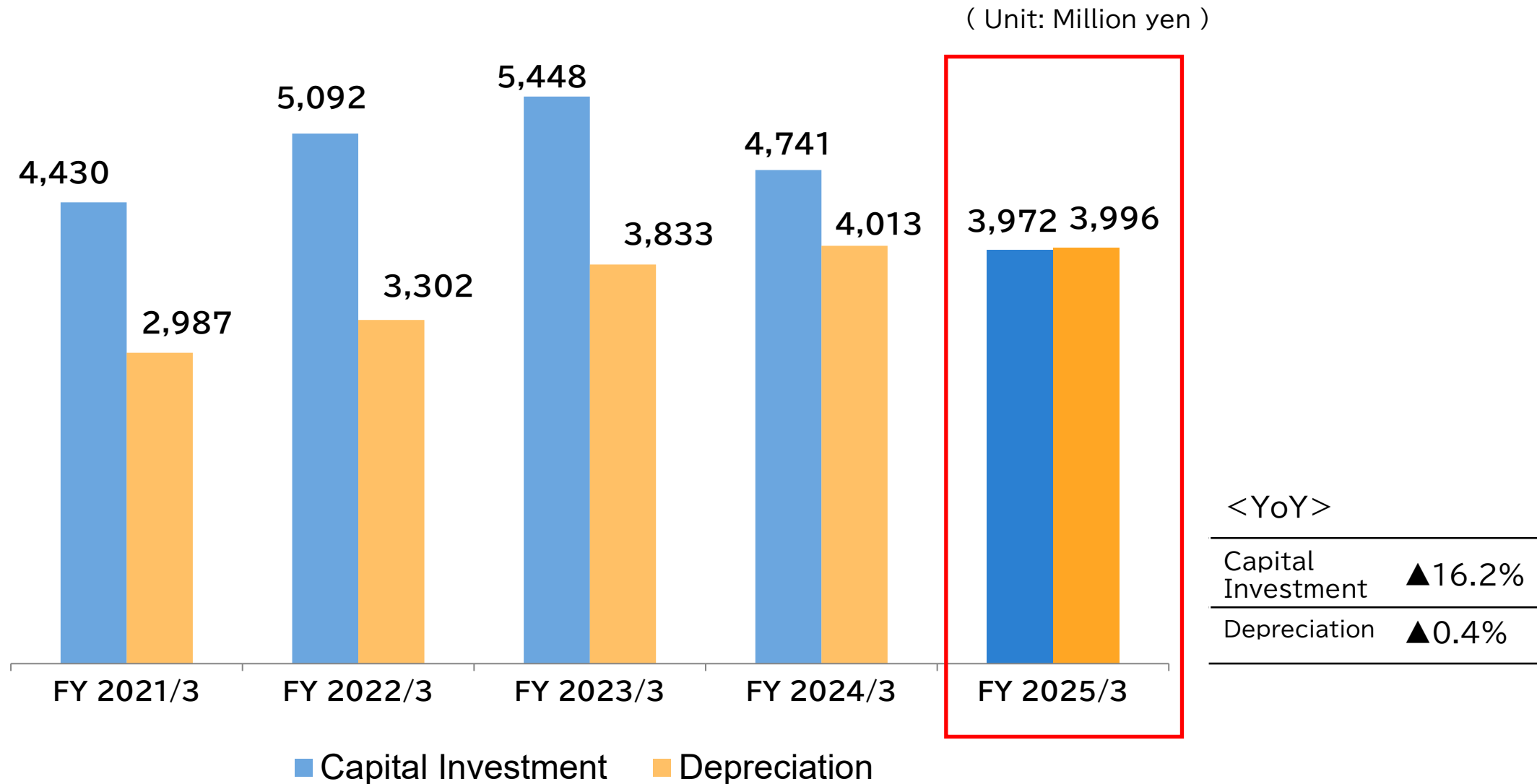


## <Incubation Center>

( Unit: Million yen )



# Forecast for Capital Investment and Depreciation



# Forecast for the Fiscal Year Ending March 31, 2026

- The performance forecast for the fiscal year ending March 31, 2026 has not been determined at this time due to significant uncertainties.  
We will promptly disclose the forecast as soon as a reasonable estimate becomes possible.

# Dividends

( Unit: Yen Per Share )

	FY2022/3	FY2023/3	FY2024/3	FY2025/3	FY2026/3* Figures in parentheses are forecast.
Interim	18	25 <small>Including commemorative dividend 3 yen per share</small>	22	24	(24)
Year-end	22	25 <small>Including commemorative dividend 3 yen per share</small>	22	24	(24)
Annual	40	50	44	48	(48)
Dividends to net assets	2.3%	2.5%	2.1%	2.2%	(2.2%)
Consolidated payout ratio	19.8%	37.0%	67.8%	502%	(—)

# New Medium-Term Management Plan 2024~2028

(Updated: May 2025)

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Takayuki Tokuma  
Representative Director,  
President and Executive Officer

# Contents

- 1 Current Business Position
- 2 Management Strategies
- 3 Business Strategies
- 4 Business Model Transformation Initiatives
- 5 Investment Strategies
- 6 Human Capital Management
- 7 Approach to Sustainability
- 8 Medium-Term Management Targets

# Forecast/Planned Values

- The impact of the recent U.S. tariff measures (uniform across countries, specific to automotive parts, and country-specific tariffs) on our business has not been reflected in the New Medium-Term Management Plan 2024–2028 (updated with numerical and other information) for the following reasons:
  - The tariff measures themselves remain fluid and subject to change.
  - The impact is expected to be significant particularly on our vehicle communication equipment (VCCS) segment compared to other segments. However calculating the exact impact amount is challenging due to factors beyond the Company's control, such as its effect on customer production volumes since our products are diverse and transacted through various distribution channels.
- The performance forecast for the fiscal year ending March 31, 2026 has not been determined at this time due to significant uncertainties. We will promptly disclose the forecast as soon as a reasonable estimate becomes possible.

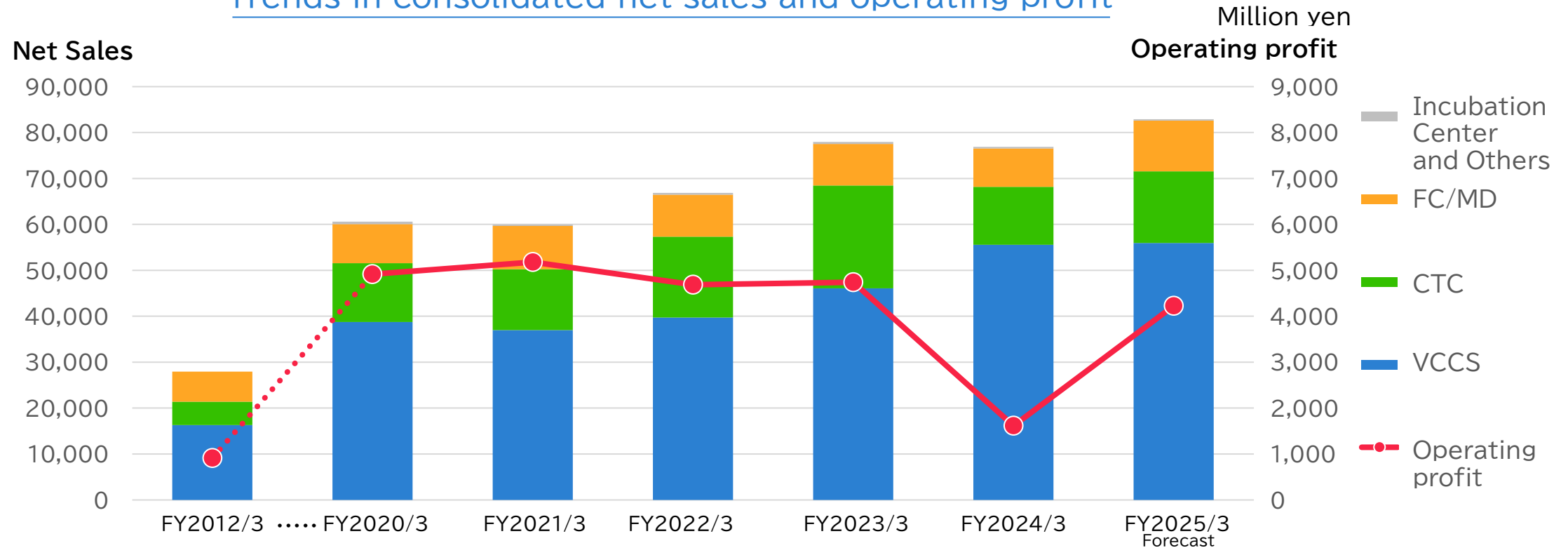
# 1 Current Business Position



# 1 Current business position

## ① Trends in results

### Trends in consolidated net sales and operating profit



※From FY2024/3, reportable segments are changed, and Incubation Center segment is added.

- Despite a trend of increased sales and profit over the past ten years up to FY2021/3, the VCCS business slumped in FY2022/3 and FY2023/3 due to reduced automotive production, resulting in a decline in profit.
- Despite progress in reforming the VCCS business profit structure in FY2024/3, a slump in the CTC business brought about by semiconductor shortages caused a decline.
- In FY2025/3, VCCS business remained steady progress, CTC business captured demand for semiconductor inspection related to generated AI, and FC business recovered in orders. As a result, both sales and profit increased year on year.

# 1 Current business position

## ②Trends in major management indicators

	(Million yen)						
	FY2012/3	...	FY2021/3	FY2022/3	FY2023/3	FY2024/3	FY2025/3
Net sales	27,933	...	59,976	66,848	77,962	76,895	82,884
Operating profit	912	...	5,179	4,684	4,739	1,617	4,226
Profit	340	...	3,818	4,663	3,147	1,511	2,227
Equity capital	15,010	...	36,202	44,328	47,224	50,384	52,030
Total assets	22,895	...	56,868	66,870	70,656	76,408	76,278

### Minimum 10

	Minimum 10 (%)						
YoY net sales growth rate	3.0	...	▲1.0	11.5	16.6	▲1.4	7.8
Ratio of operating profit to net sales	3.3	...	8.6	7.0	6.1	2.1	5.1
ROE	2.3	...	12.2	11.6	6.9	3.1	4.4
YoY operating profit growth rate	▲30.2	...	5.3	▲9.6	1.2	▲65.9	161.2
ROIC	—	—	—	—	(5.8)	1.8	4.1

※ROIC based on FY2024/3. Reference as FY 2023/3

- **Minimum 10:** From the fiscal year ended March 31, 2024, the Company shifted from indicators biased towards net sales to those that emphasize capital efficiency, **aiming to consistently achieve 10% or greater** in four metrics: ratio of operating profit to net sales, ROE, year-on-year operating profit growth rate, and ROIC.

# 1 Current business position

## ③The Company's features and strengths

### Coordination with prominent customers

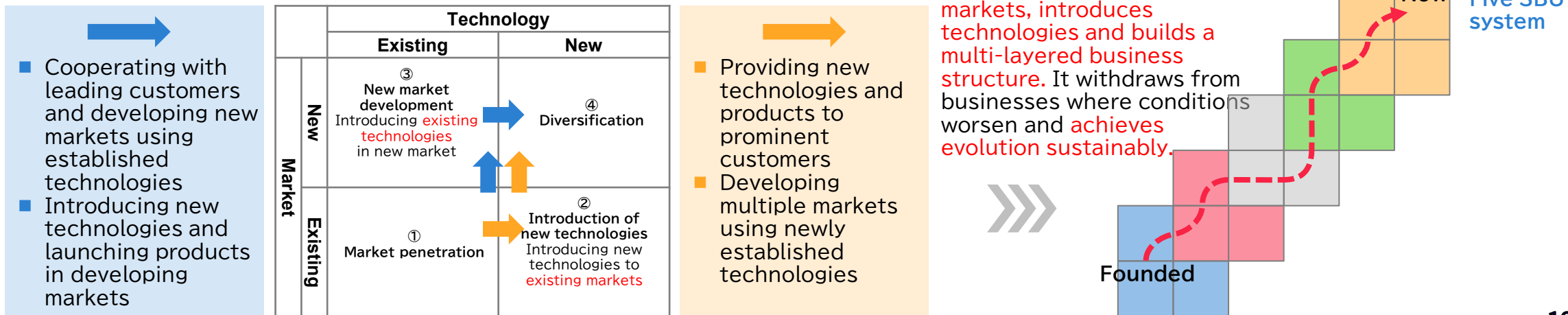
The Company coordinates with prominent customers, who take the lead in the evolution of each business. The Company has been meeting the stringent process requirements (Cost, L/T, and Quality) and technical requirements (new designs, new technologies, etc.) of leading customers and following trends in the B2B business ahead of competitors.

### Tradition of continuing to introduce new technologies and finding new markets

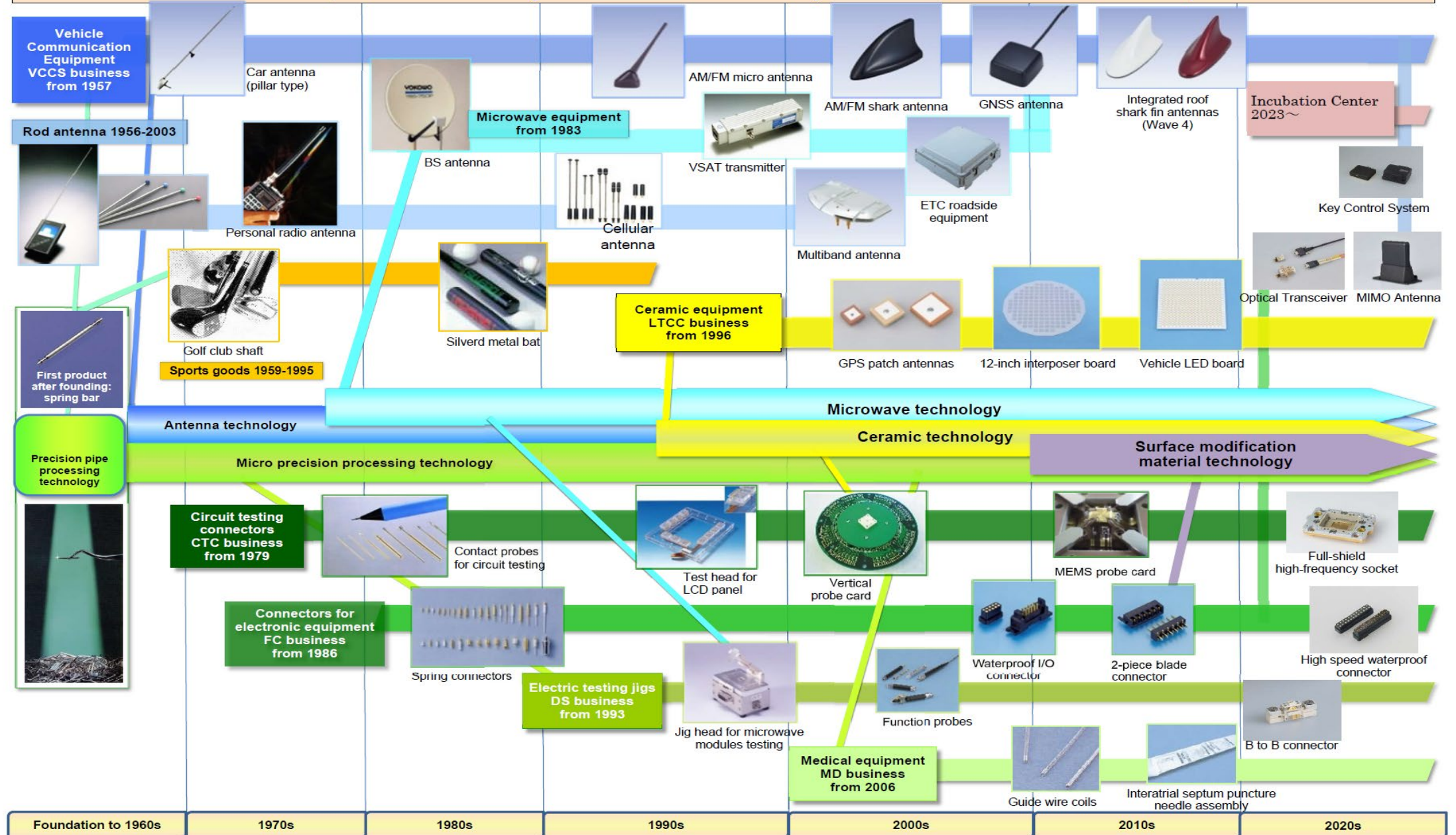
Since the foundation in 1922, the Company has been introducing new technologies and striving to find new markets and customers. It has strategically withdrawn from markets where conditions (profitability and growth) worsened and has always generated and developed business.

Taking advantage of these strengths, the Company will build a multi-layered business structure and will evolve its business sustainably.

### Cycle of business creation and development



# Yokowo Co., Ltd. Technological Evolution and History of Business and Product Development



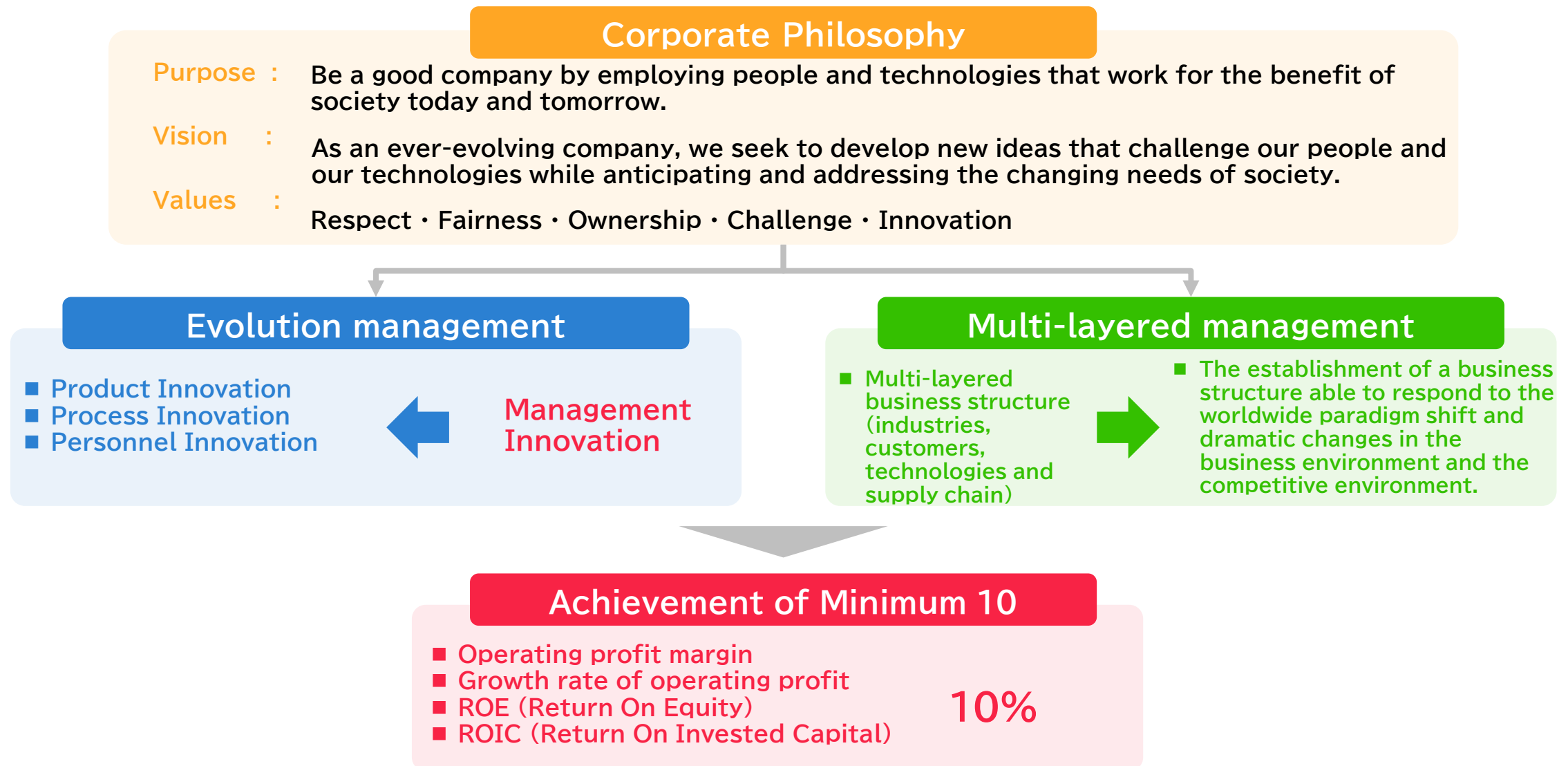
Introduction of new technologies + Developing new markets=Yokowo's DNA

## Management Strategies



## 2 Management Strategies

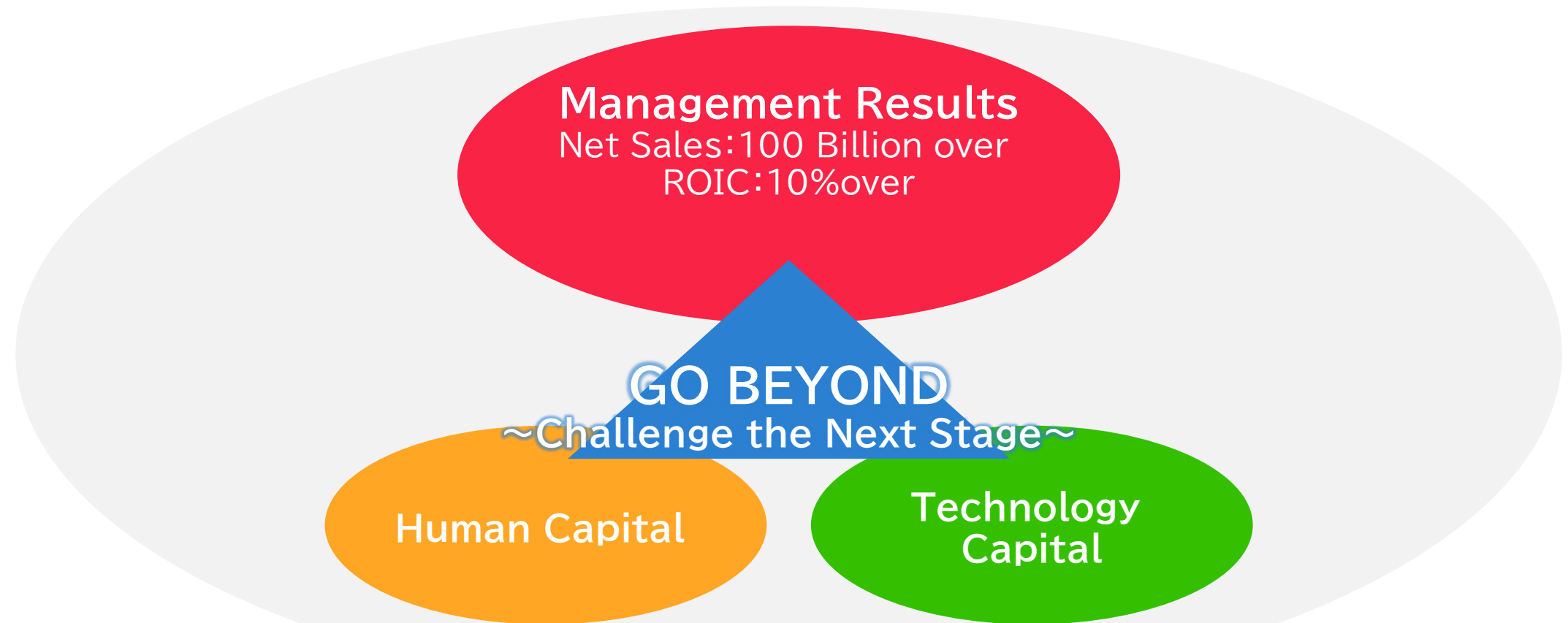
### ① Basic management policy



## 2 Management Strategies

Realization of Purpose

Becoming an even better company through a higher stage of management results and social contributions



Achieving Yokowo's purpose to "be a good company by employing people and technologies that work for the benefit of society today and tomorrow."

## 2 Management Strategies

③Issues in business structure and progress in initiatives

**Strengthening the growth and earnings base in the main markets  
(automobile, semiconductor inspection, mobile devices·B2B terminals, and medical devices)**

### Exploring and promoting business evolution themes in the three core businesses (VCCS/CTC/FC)

- Stable business expansion and the restructuring of fixed costs in the three core businesses (VCCS/CTC/FC)
- Exploring and promoting business evolution themes in the three core businesses
  - VCCS: Launch new products in the application field to evolve and develop rolling stock
  - CTC: Expand business catering to new inspection needs due to the evolution of semiconductors
  - FC: Identify market needs and establish competitive advantage by rebuilding business competitiveness

### Full-scale business expansion in emerging markets with high growth rates (particularly China, India and ASEAN)

### Optimization of the business mix by returning to a growth path in the CTC and FC business

### Expanding of the MD business (a fourth core business), which is steadily growing.

- Preparations are underway to launch products planned and designed in-house following acquisition of a marketing license for medical devices in 2023
- The Company is preparing to launch unique products in cooperation with a medical equipment venture ecosystem (hospitals, universities and venture companies).



## 2 Management Strategies

③Issues in business structure and progress in initiatives

Acquire new core competence and expand business domains through collaboration with other companies

### Step up initiatives to expand the domains of the four core businesses

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- Steady progress is underway to position ADAS and autonomous driving, connected systems, MaaS, high-speed high-capacity communications (5G, 6G, IoT, next-generation memory) and AI as priority domains.
- The semiconductor front-end process inspection turnkey business is experiencing high growth, heading to a full-scale business expansion stage.

### Developing collaboration in the fields of electroforming technology, MEMS processing technology and optoelectronic fusion technology, and incorporating these technologies internally

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- Keeping pace with semiconductor miniaturization and incorporating optoelectronic fusion for AI/6G semiconductor inspection

### Developing full-scale service-oriented business in parallel with the incorporation of in-house software development capabilities

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- Launching new business in areas that combine Yokowo's hardware seeds and software
- Providing products and solutions that create new markets by searching for and collaborating with partners who possess technologies that satisfy the needs of existing customers

## 2 Management Strategies

③Issues in business structure and progress in initiatives

### Embedding ROIC-oriented management

Adopt ROIC/WACC at the per-business level and transform into a business structure with more earning capabilities and a higher capital efficiency

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Maintain certain cash levels in anticipation of unexpected situations while pursuing business model transformation and business expansion through M&A activities and alliances, and making efforts to enhance shareholder return through stable dividend growth and share buybacks

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### Human capital management = management emphasizing human capital and sustainability initiatives

Leverage the abilities and skills of employees for growth of the organization, leading to enhanced corporate value in the medium- to long-term

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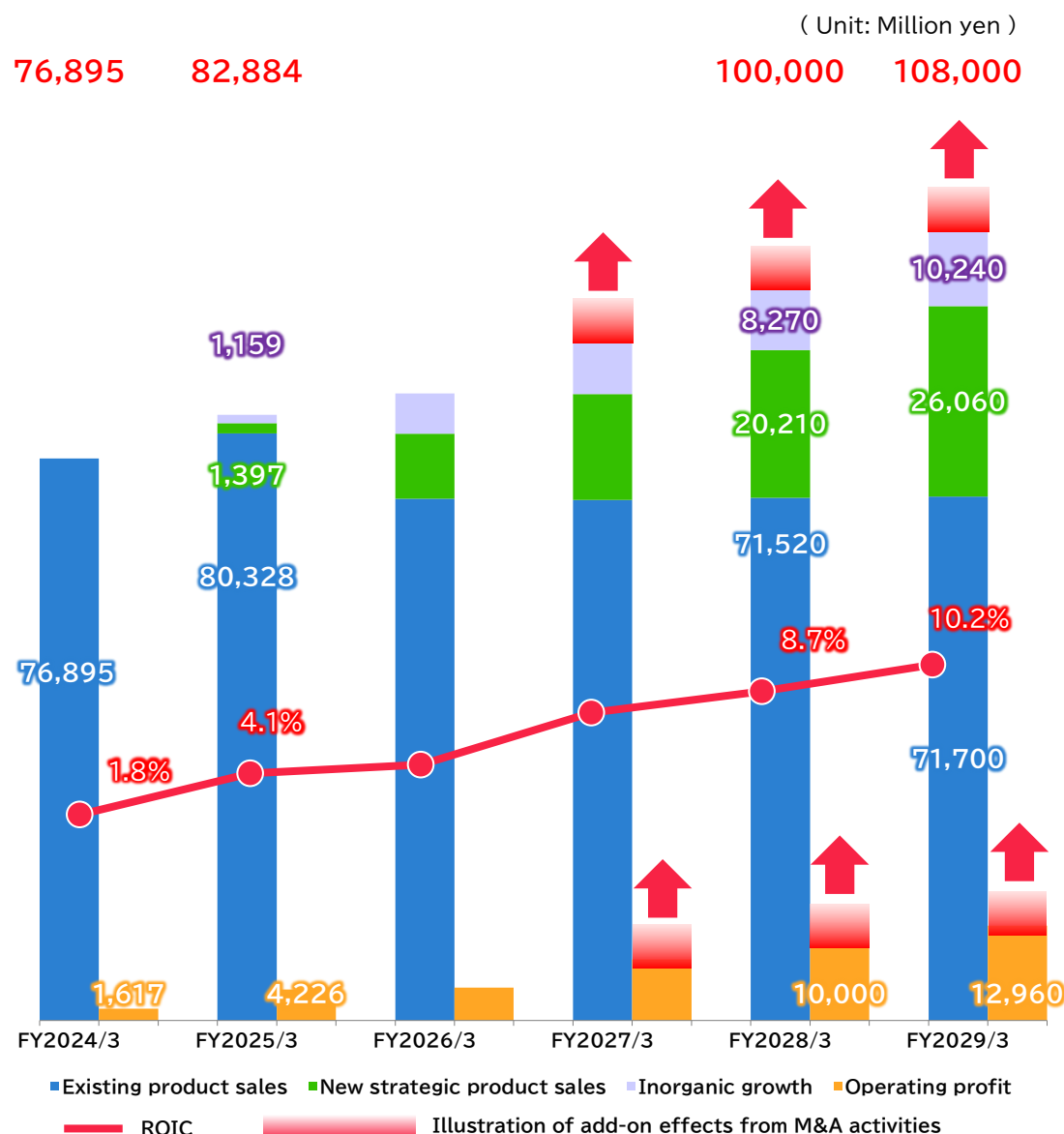
Promote sustainability initiatives based on materiality

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# 3 Business Strategies

# 3 Business Strategies

## ① 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, and medical devices)
- Acquire new core competence and expand business domains through collaboration with other companies
- Embedding ROIC-oriented management
- Human capital management = management emphasizing human capital and sustainability initiatives

### Roll out measures to develop a multilayered customer structure (customer mix)

- Closely align with changes affecting customers leading each industry
- Cultivate promising new customers by stepping up domain expansion efforts

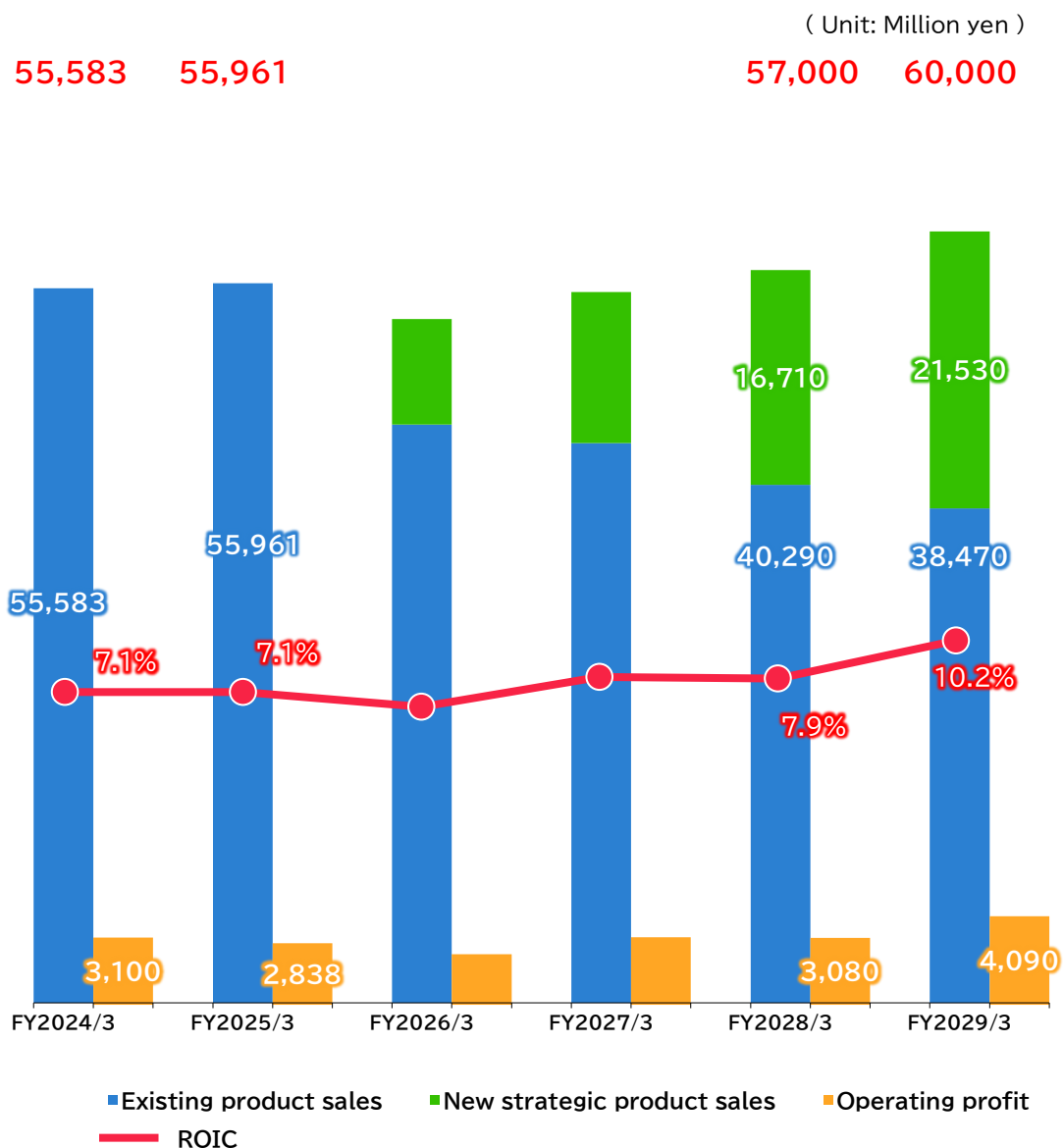
### Promote product innovation that can contribute to customer business model innovation and the restructuring of industries and markets

- Take part in innovative application projects
- Develop strategic products with the potential to transform the structure of industries
- Also utilize corporate alliances, M&A activities and proactive investment in companies engaged in co-creation to supplement the necessary technologies, talent and equipment

**Achieve net sales in excess of 100 billion yen and an ROIC of over 10%**

# 3 Business Strategies

## ②VCCS: Vehicle Communication Equipment



### Basic growth strategy

Ongoing improvements to earnings structure by thoroughly reforming cost structures through standardization, and business expansion into new application domains associated with the development of EV, SDV and ADAS

Sales steadily expanded over the past ten years (240% compared with FY2012/3 levels excluding the COVID-19 pandemic period). Profit was negative from FY2022/3 to FY2023/3, but returned to profitability in FY2024/3 due to business structural reforms. The business is on the way to becoming one that produces stable earnings.

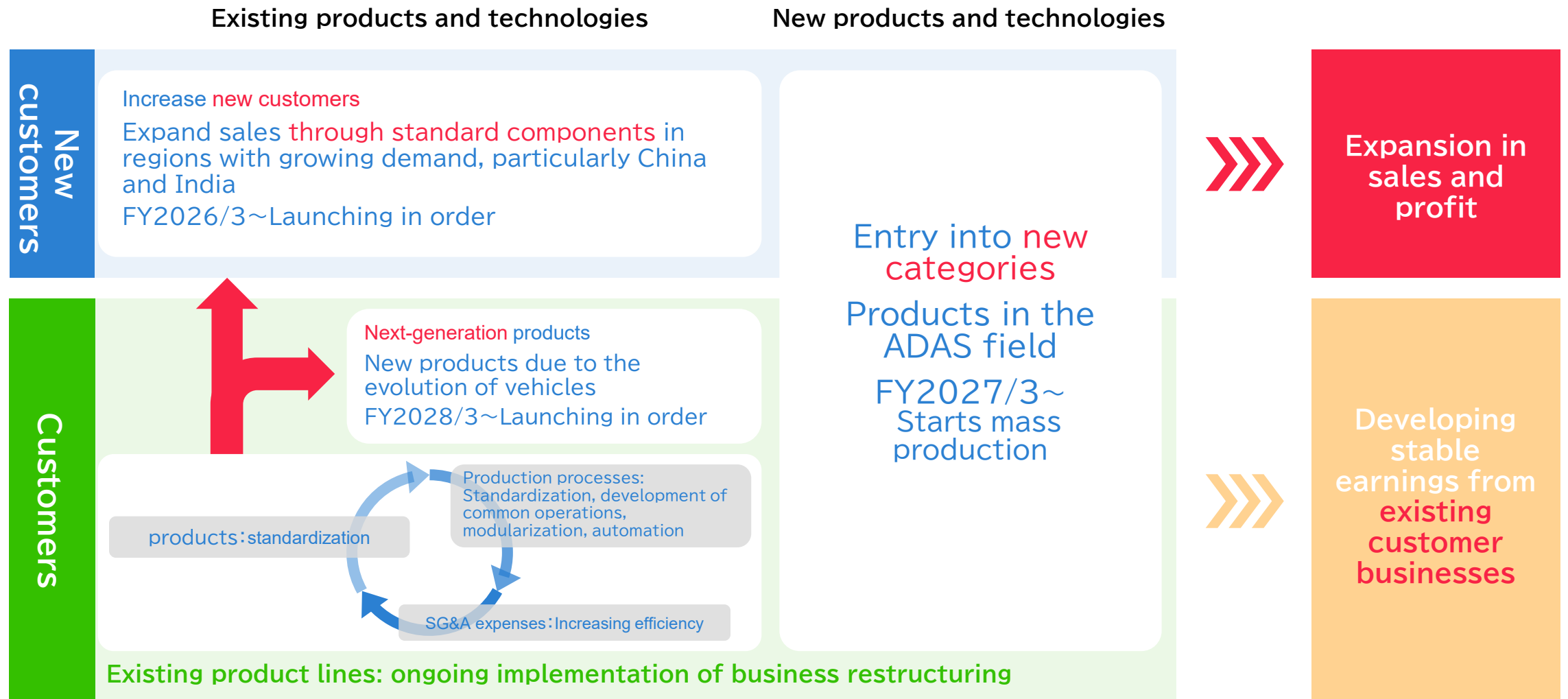
The product portfolio involves existing product lines, the launch of new products targeting the evolution of vehicles, and new entry into the field of ADAS products.

### The two vital elements to growth

- Developing stable earnings through further structural reforms to existing products
- Expanding sales in new fields by newly entering the field of ADAS products

# 3 Business Strategies

## ②VCCS: Vehicle Communication Equipment

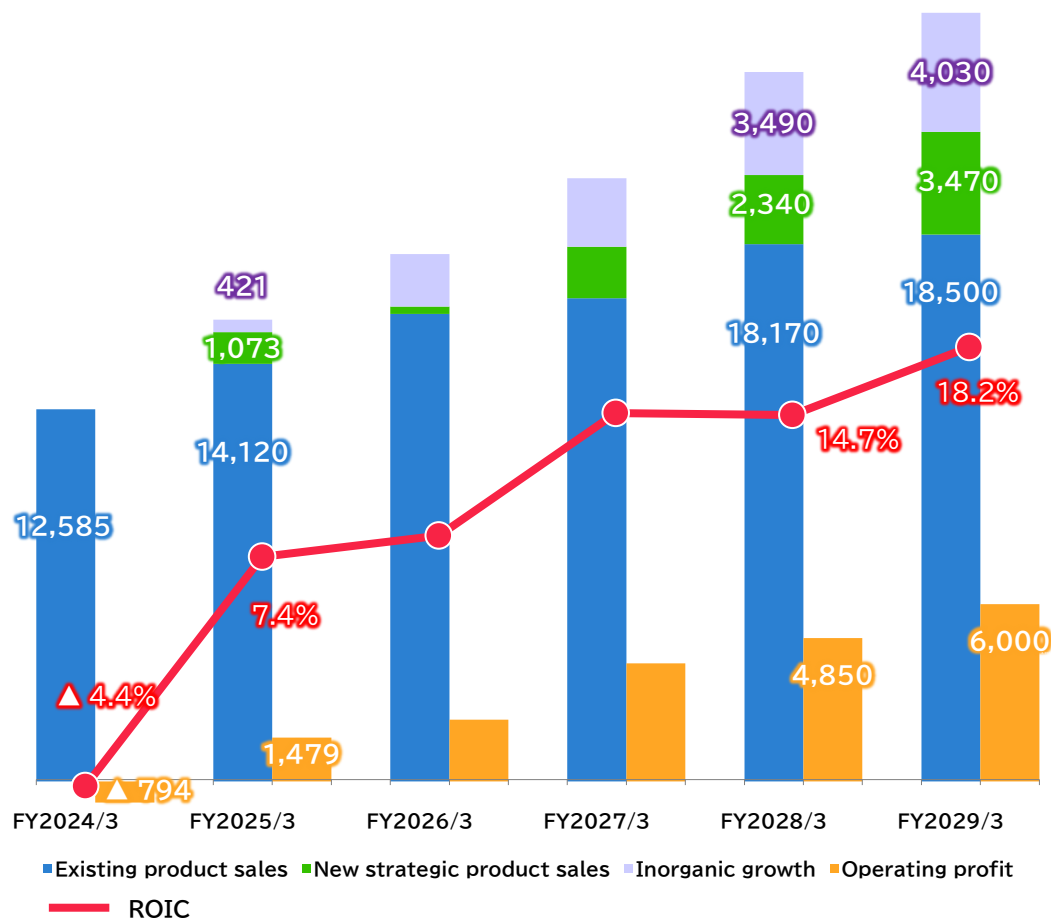


# 3 Business Strategies

## ③CTC: Circuit Testing Connector

( Unit: Million yen )

12,585    15,614    24,000    26,000



### Basic growth strategy

Strengthen the ability to supply hardware catering to new test uses through the refinement of the technologies currently maintained, collaboration and co-creation with other companies, and M&A activities. Evolve into a comprehensive test solution-type vendor using in-house and outside technologies

There was a steady expansion up to FY2023/3, but performance fell into the red in FY2024/3 amid semiconductor shortages and a downturn among major customers. However, robust development requests from customer have continued, based on medium- and long-term semiconductor demand.

With growing needs to improve semiconductor data processing needs and reduce energy consumption for applications such as AI and 6G, measures based on semiconductor miniaturization are reaching their limits. Solutions will turn to 3D packages in the short and medium terms and optoelectronic fusion in the medium and long terms.

Achieve dramatic business expansion through frequency technologies that boast a competitive advantage and the introduction of new technologies using alliances or M&A activities.

# 3 Business Strategies

## ③CTC: Circuit Testing Connector

	testing from the front-end			testing from the middle-end	testing from the back-end	
Testing Stage	Before rewiring Wafer Test	After rewiring Wafer Test	Wafer Level Test (including RF test)		Final Test	Burn In Test
Entry target	2026	Expansion of existing product	Expansion of existing activities and securing of new test applications		2024	2025
Technical strategy	Electroformed tube Spring Probe MEMS Probe		High-temperature large-current chiplet			Improved forming
Devices	DRAM/NAND		Logic SoC SAW/BAW	Logic SoC (HBM Memory)	Logic SoC/Chiplet	
Business Strategies	M&A/alliances (manufacturing) + Strengthened manufacturing system (reduced labor)		Strengthened Field-Support + Strengthened manufacturing system (reduced labor)			M&A/alliances (development) + Strengthened manufacturing system (reduced labor)



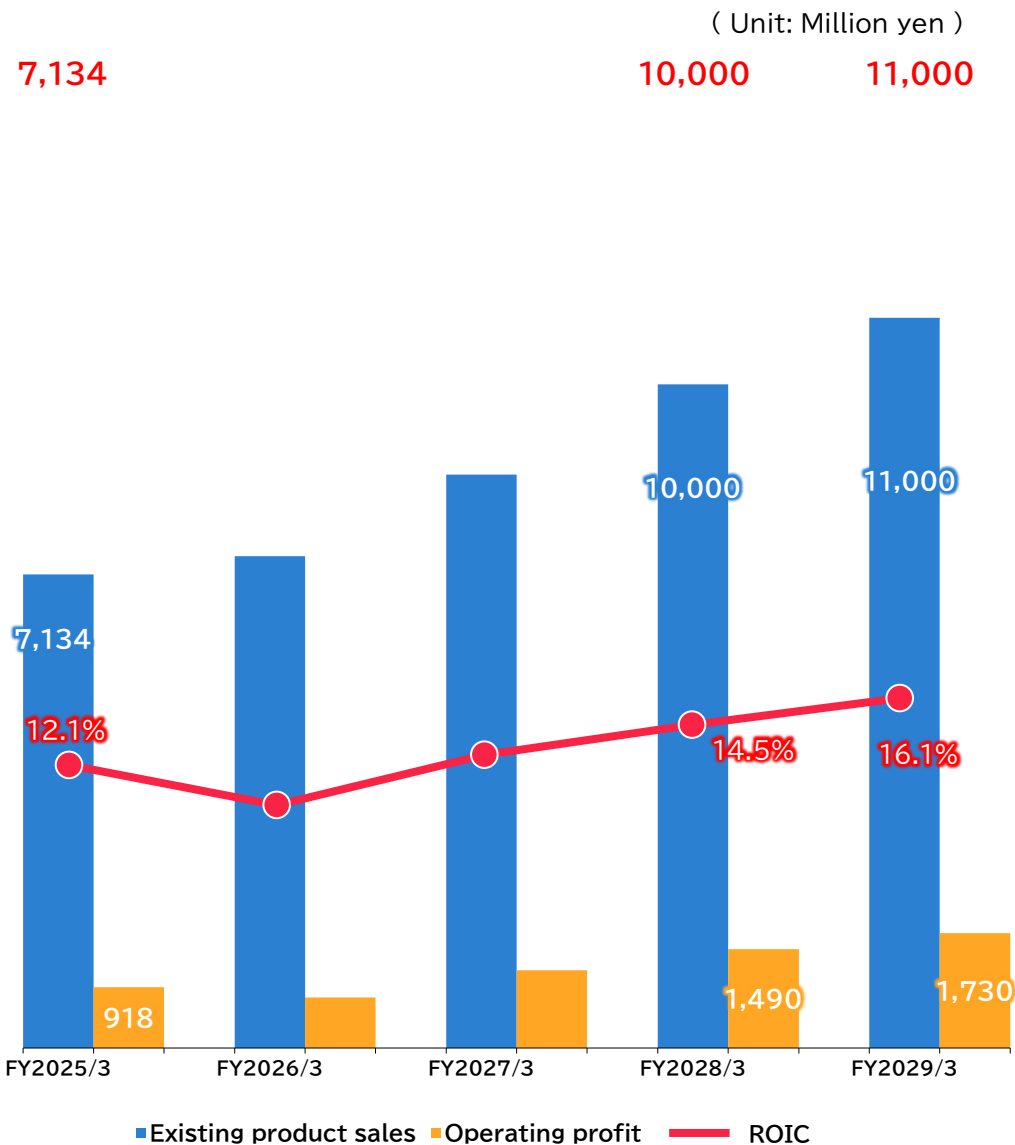
# 3 Business Strategies

## ③CTC: Circuit Testing Connector

Target market	Key device	Trends in target markets and key devices	Initiatives as Yokowo
Data Center / Cloud	<ul style="list-style-type: none"> <li>■ CPU</li> <li>■ GPU</li> </ul>	<ul style="list-style-type: none"> <li>■ Rapidly increasing demand for large-scale data processing such as generative AI</li> <li>■ Advances in GPUs for high-speed computation, AI accelerators, and low-power memory and interconnect technologies</li> </ul>	<ul style="list-style-type: none"> <li>■ Steadily capture demand for the growing system level test market for CPUs and GPUs, including the expansion of new sales channels</li> </ul>
Consumer	<ul style="list-style-type: none"> <li>■ SoC</li> <li>■ System chipset</li> </ul>	<ul style="list-style-type: none"> <li>■ Increasing sophistication of smart terminals and greater use of AI</li> <li>■ Evolution of semiconductors for edge AI and high-performance, power-saving SoCs that support high-speed processing in terminals</li> </ul>	<ul style="list-style-type: none"> <li>■ Develop products that incorporate the latest needs such as edge AI, as we continue to occupy a high-volume segment within the semiconductor market.</li> </ul>
Automotive Electronics	<ul style="list-style-type: none"> <li>■ Analog devices</li> </ul>	<ul style="list-style-type: none"> <li>■ Accelerating progress in electrification and automated driving technology</li> <li>■ Advanced semiconductors supporting safety and efficiency, including power semiconductors, SoCs for sensing, and control chips capable of high-speed processing</li> </ul>	<ul style="list-style-type: none"> <li>■ Develop and provide products incorporating material and surface treatment technologies to meet customer needs (high temperature, high current, and high durability).</li> </ul>
Industrial Communication Equipment	<ul style="list-style-type: none"> <li>■ Wireless transceiver</li> <li>■ RF front-end devices</li> </ul>	<ul style="list-style-type: none"> <li>■ Expansion of 5G and IoT devices and progress in smart factory implementation</li> <li>■ Advances in functionality in communication semiconductors for real-time control and control ICs and sensors with excellent environmental resistance and power-saving capabilities.</li> </ul>	<ul style="list-style-type: none"> <li>■ Develop a product line that leverages our core competence in high-frequency compatibility.</li> </ul>

# 3 Business Strategies

## ④FC: Connector for consumer use



### Basic growth strategy

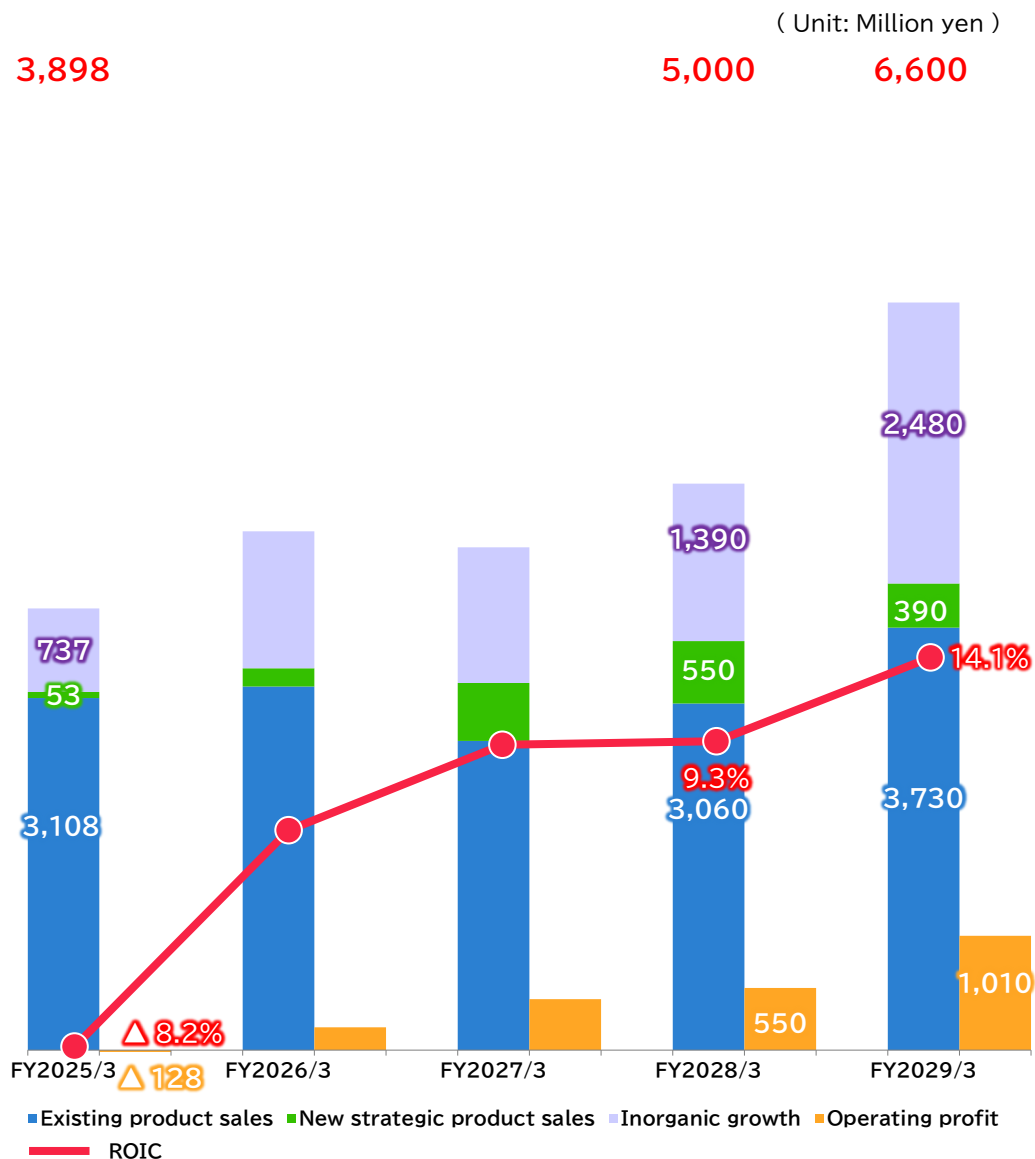
Raise competitiveness of core SPC products by delving deeper into materials, component processing and surface modification, and expand business with the market launch of products with added value being the smallest, lightest and low-cost

### Strengthen core competence that the competition cannot match in spring connectors and create customer value

- Anticipate the expansion of small robots and communication devices toward realizing a smart society, including space and ocean environments
- Engage in development of the “world’s smallest sprint connector,” specializing in smaller and lighter designs, and drive the development of products that lead the competition
- Develop low-cost spring connectors that cater to the high volume market, achieving sales expansion due to an absolute expansion in sales volume

# 3 Business Strategies

⑤MD: Medical device



## Basic growth strategy

Launch products planned in-house following acquisition of a marketing license for medical devices, and accelerate contributions to humanity and society through the expansion of a medical ecosystem in the advanced medical field

Over the past ten years sales have steadily expanded (annual growth rate of 20%, excluding the COVID-19 pandemic period). A marketing license for medical devices has been obtained, and upfront investment in development, etc. is underway. Performance will return to profitability in FY2026/3.

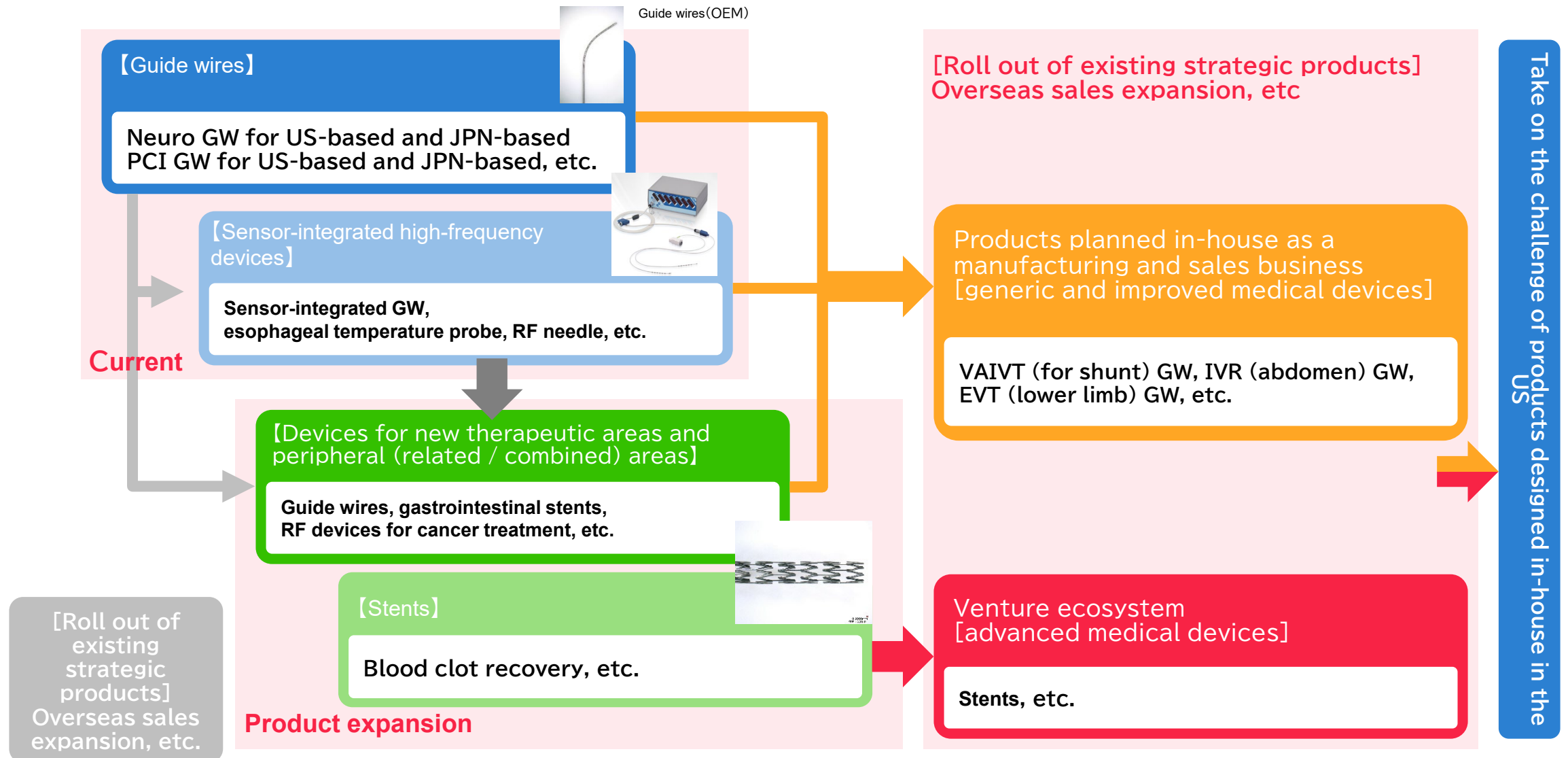
Expand the product portfolio to stents leveraging our strength in micro-precision machining, in addition to guide wires and high-frequency devices

## Dual aspects of growth (concept)

- Advanced medical devices: venture ecosystem (stents, etc.)
- Generic and improved medical devices: Products planned in-house as a manufacturing and sales business (guide wires, etc.)
- Leverage partners to deliver broad portfolio

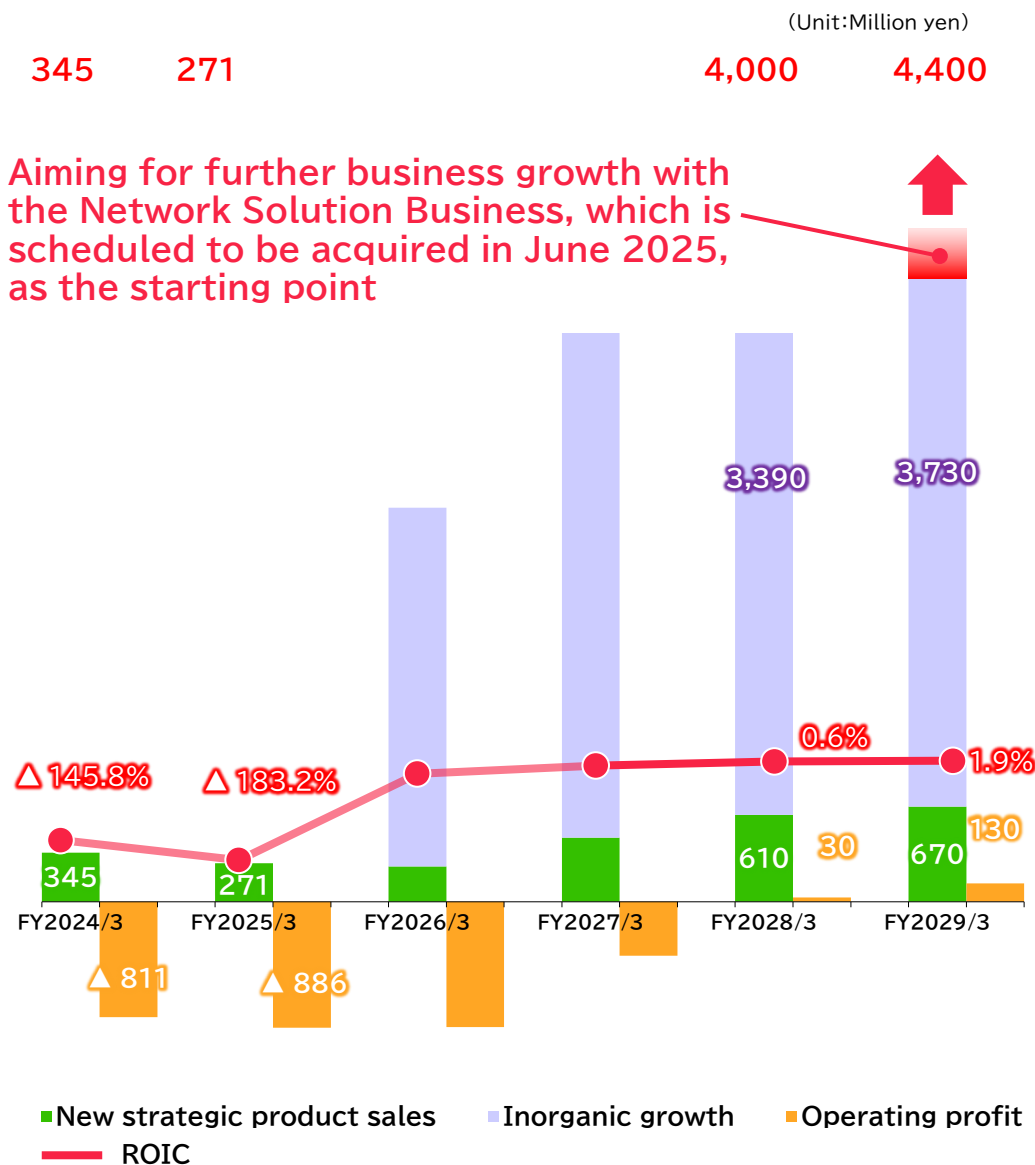
# 3 Business Strategies

⑤MD: Medical device



# 3 Business Strategies

## ⑥Incubation Center



### Growth Strategies

Provide products and solutions that create new markets and promote the transformation of the Yokowo Group's business model by searching for and collaborating with partners who possess technologies that satisfy the needs of customers, rather than staying with existing technologies.

In FY2024/3 the Incubation Center became independent as a functional division to promote the transformation of business models in each business of the Yokowo Group

See existing customers as assets and provide products and **solutions** that create new markets by searching for and collaborating with partners who possess technologies that satisfy customer needs.

Understand needs in global markets to evolve the business model from selling goods to **selling services through the subscription business**, etc.

Also utilize corporate alliances, **M&A activities** and **proactive investment** in companies engaged in co-creation to supplement the **necessary technologies, talent and equipment**, and create new business domains and business models.

# 3 Business Strategies

## ⑥Incubation Center

Legend

IoT Market

MaaS Market

Vision under the  
Medium-Term  
Management Plan

Leveraged Assets / Capabilities

Target Domain (Product/Service)

Realization of  
business model  
transformation  
from selling goods  
to selling services  
at the entire  
Yokowo Group

Target for 2030:  
**Monthly Sales of  
500 million yen**

Existing assets  
(hardware)

LTE/5G antenna

GNSS antenna

Vehicle key lock/unlock  
unit

Assets to be  
strengthened  
or newly  
acquired  
(capabilities)

Cloud server  
development capabilities

Firmware development  
capabilities

AI application technology  
capabilities

Vending machine inventory control terminal

IoT devices (gateways etc.)

IoT solutions (traffic safety support etc.)

Unmanned mobile vehicles (drones etc.)

Car sharing/key lock and unlock service for rental  
construction equipment

Vehicle management services (including official  
vehicles)

Vehicle activation control systems (connected  
loans, etc.)

Other new markets (future areas of exploration)



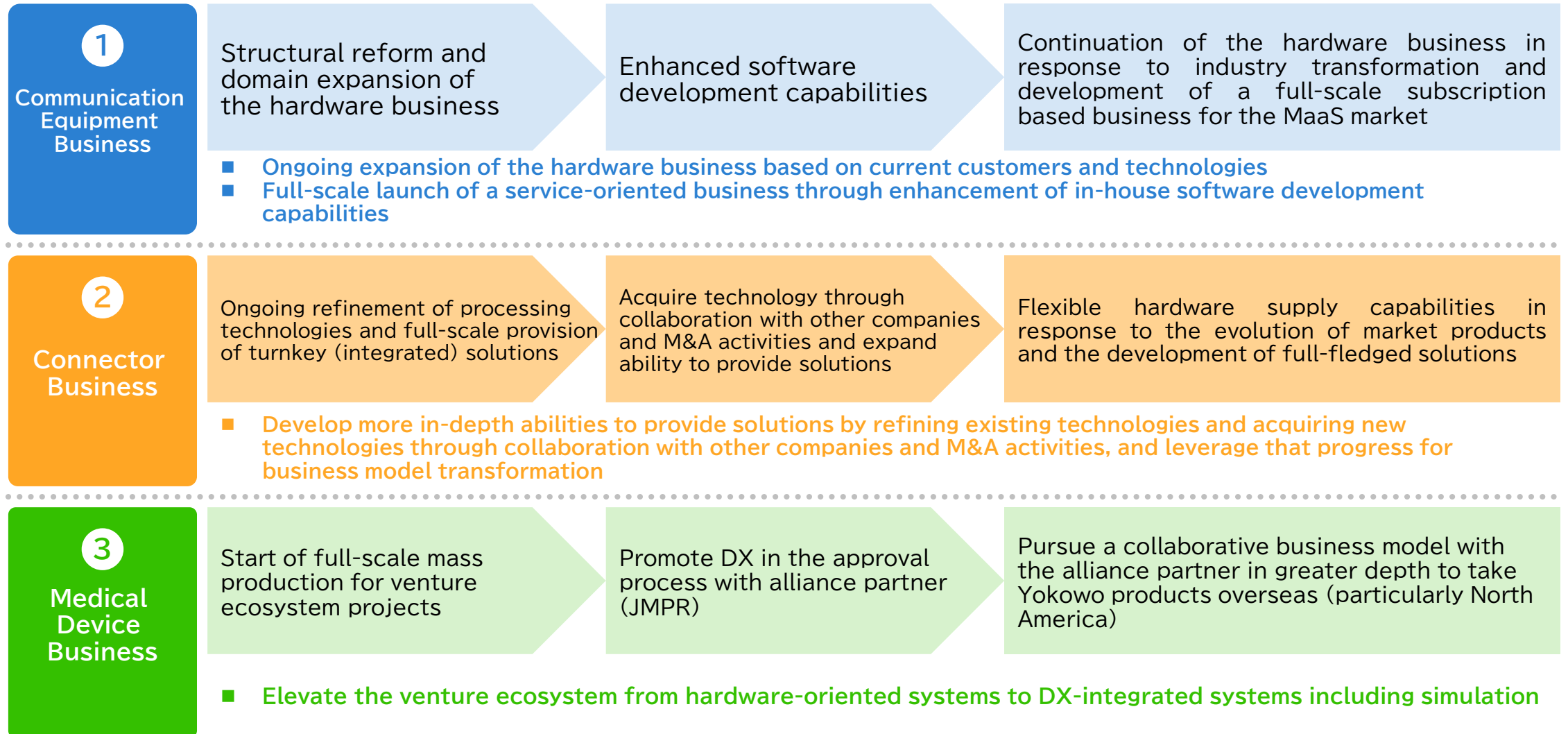
## Business Model Transformation Initiatives



## 4

# Business Model Transformation Initiatives

## Business model Roadmap

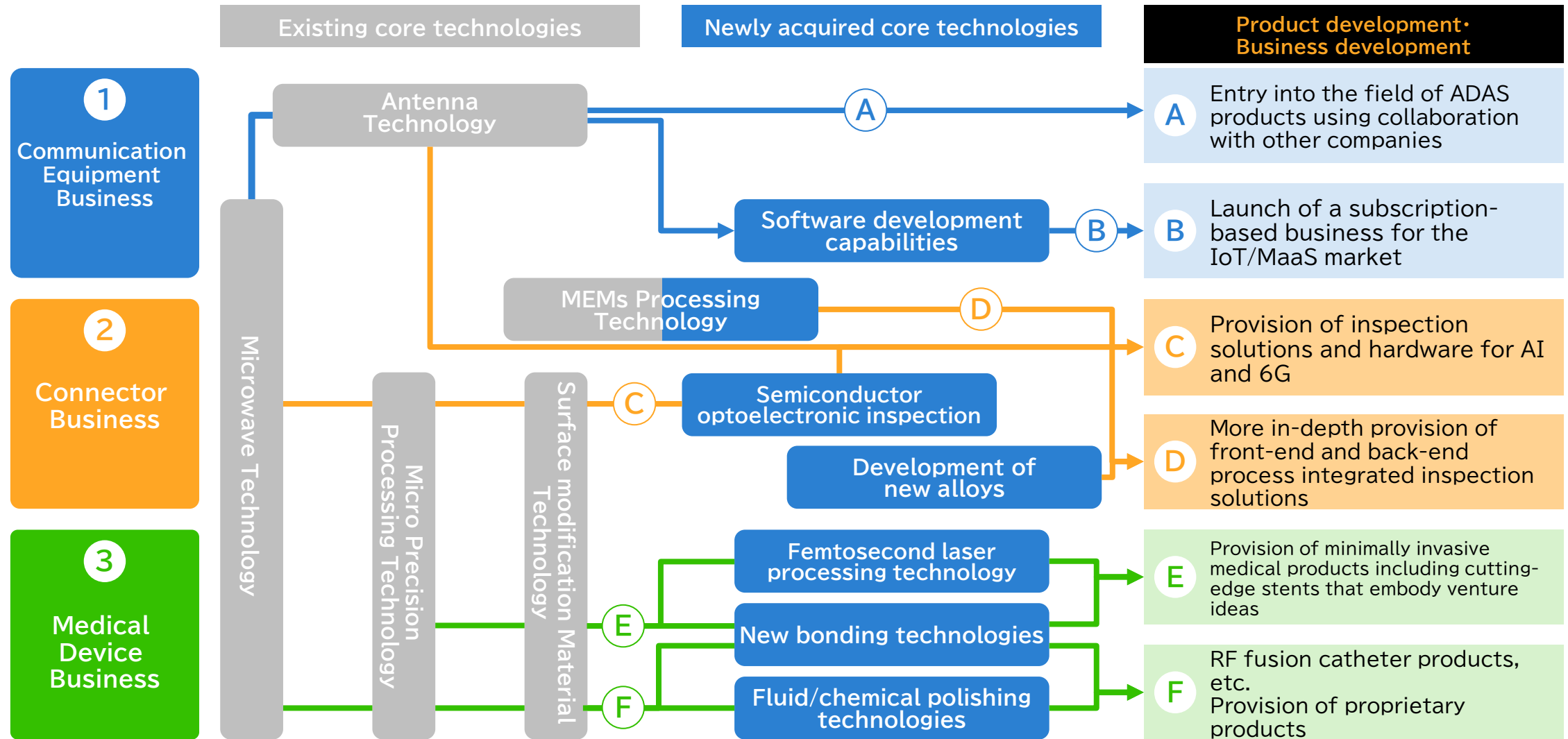




## 4

# Business Model Transformation Initiatives

## Technology Roadmap



## 4

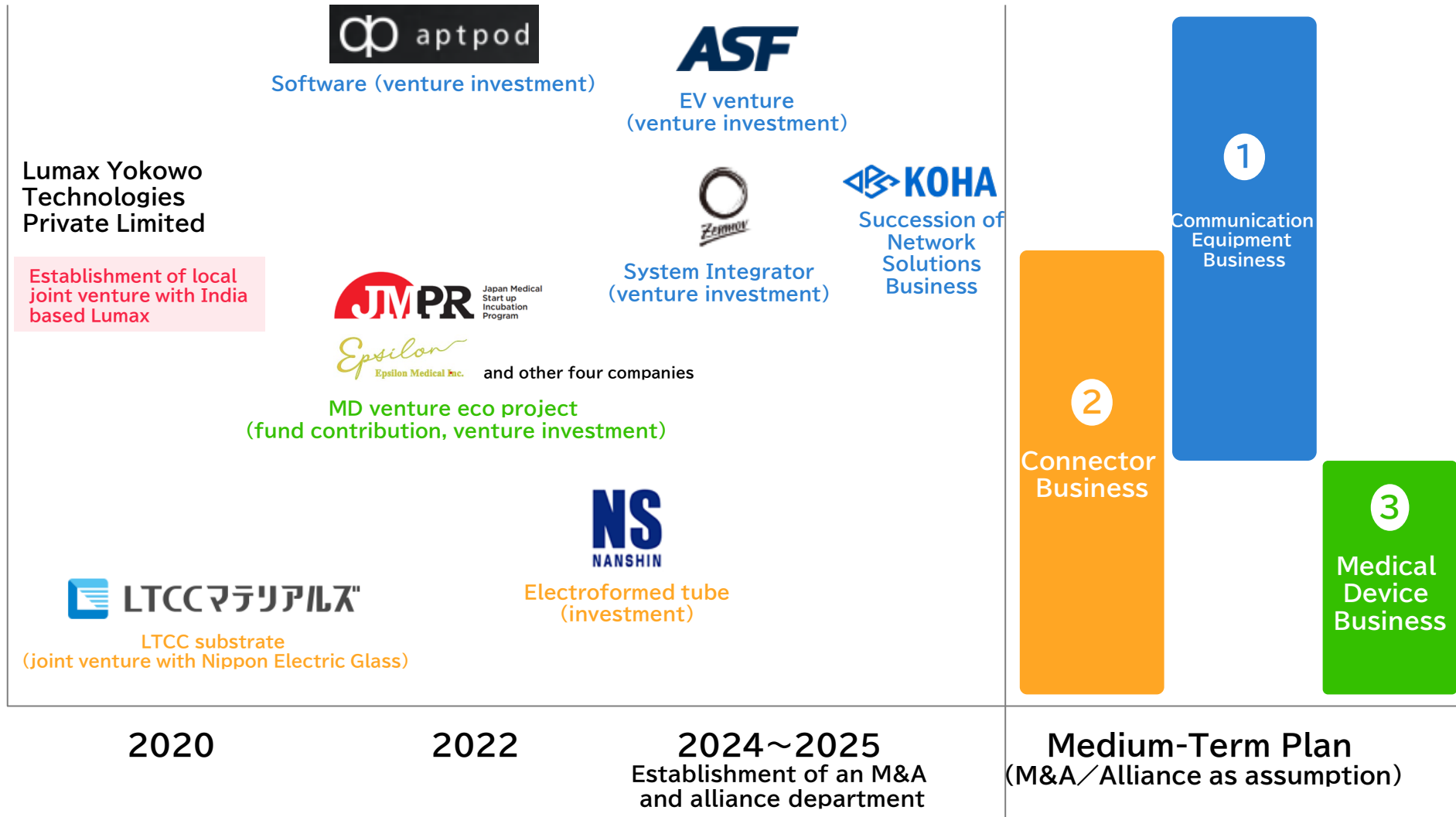
# Business Model Transformation Initiatives

## ③M&amp;A/Alliance

Business Models for New Business

Business Expansion

Acquisition of core technologies  
(sharpening our competitive advantage)



**5** Investment strategy

**6** Human Capital Management

**7** Approach to Sustainability

# 5 Investment strategy

## Investment strategy

### R&D investment

**5-8 Billion yen / Year**

- Existing core technologies (antenna technologies, high frequency technologies, etc.)
  - Core technologies to be newly acquired (MEMS processing technologies, etc.)
- ➡ "See technology roadmap"

### Create operating cash flows

**6-12 Billion yen / Year**



### Cash on hand (Net Cash)

**18 Billion yen (8 Billion yen)**

## Growth Investments

### Capital investment of 4-6 billion yen / year

- Communications equipment: ADAS new product-related, etc.
- Connectors: MEMS product-related, etc
- DX (Business model evolution)
- GX

### M&A, Alliances

- Communications equipment: searching for new businesses, business expansion
- Connectors: business expansion, acquisition of elemental technologies

### ➡ "M&A/Alliance"

### Dividend 1-2 billion yen / year

- Stable growth in dividends targeting a DOE (dividend on equity ratio) of 2.2%

### Purchase of treasury stock

- Flexibly...

## Shareholder Returns

## 6

## Human Capital Management

—Establishment of the Human Resources Headquarters —

Management, focus on Human Capital

Attract talented individuals, leverage the abilities and skills of employees for growth of the organization, leading to enhanced corporate value in the medium- to long-term.

**Establishment of the Human Capital Headquarters (in 2025):**  
Integration of Human Resource Development Center and the Human Resources Department

## Direction

- ① Realize human resources that contribute to management and business  
 Assign Human Resource Business Partners (HRBPs) to regularly communicate with management for the purpose of identifying management and business issues. Establish the Strategic Human Resources Section to incorporate management issues into human resources policies.
- ② Operate an integrated cycle of recruitment, development, evaluation, and compensation, and validate its effectiveness through employee engagement  
 Establish a Human Resources Expansion Section to consistently take responsibility for recruitment, development of internal human resources, implementation of evaluation and compensation systems that satisfy employees, and improvement of employee engagement.
- ③ Committed to realizing global human resources functions  
 Place the Global Support Department within the Human Resources Headquarters, bringing together the global perspective of the head office and the local wisdom of overseas subsidiaries to formulate and promote global human resources strategies and measures.
- ④ Streamline human resources operations  
 Improve the productivity of white-color workers from a human resources policy perspective, while also promoting the streamlining and efficiency of operations within the Human Resources Headquarters through shared services and the use of digital transformation.

## 6

## Human Capital Management

Management, focus on Human Capital

## Vision

To cultivate employees able to realize business evolution, which is the foundation of a perpetually evolving company  
 Making Yokowo a company that makes employees feel their employment there allows them to grow and be certain of growth

1

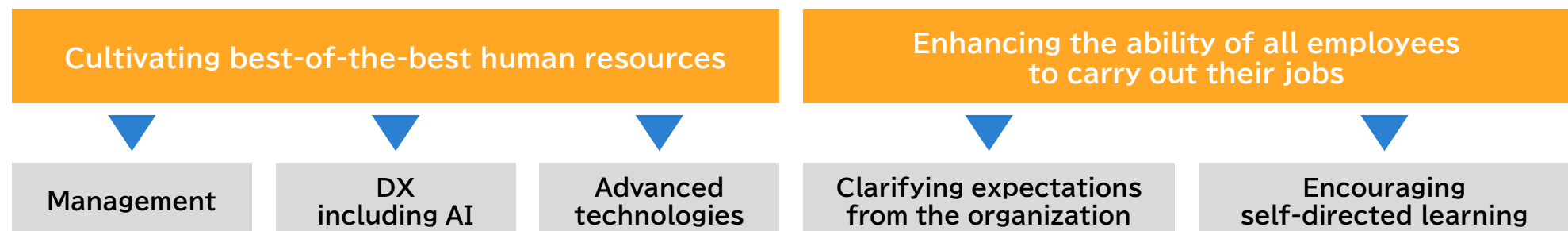
### Cultivate human resources who will be able to sharpen Yokowo's strengths and leverage those strengths to embody business evolution

- Use DX including AI and other cutting-edge technologies to cultivate elite tech-savvy employees who will sharpen Yokowo's strengths
- Cultivate human resources able to develop business pivot strategies from management perspectives, including marketing
- Plan to expand the scope of the training for top management program in the FY2026/3 to include next-generation employees of the strategic headquarters and to include service-oriented training in the manufacturing industry.

2

### Accelerate improved corporate competitiveness through the dual approach of cultivating best-of-the-best human resources and enhancing all employees' abilities to perform their jobs

- Organize the expected skills and learning methods as an organization, and encourage individual learning based on plans tailored to each employee
- Introduce an e-learning system that meets the needs of employees in self-directed learning
- Encourage the all employees to acquire the DX literacy standard skill set by the Ministry of Economy, Trade and Industry in order to improve management performance.



# 7 Approach to Sustainability

## E: Environment

Global environment  
(climate change / recycling-oriented society)

### Key measures

- Review of GHG emission reduction targets → SBT\* Certification acquisition  
\*Science Based Target  
Introduction and expansion of renewable energy to Tomioka Plant / DYC / YVC / YEM
- Water consumption (basic unit) reduction
- Increased use of recycled plastic
- Reduction in use of PRTR substances

## S: Society

Human Capital / Human Rights /  
Stakeholder Engagement

### Key measures

- Human capital: DE&I (Number of employees hired and enrolled in TISP, ratio of female managers, etc.) / Global human resource development
- Human rights: Respect for human rights (training participation rate / improvement of human rights DD evaluation) / rights of people working with us (DD implementation rate of major business partners)
- Stakeholder engagement: Improvement of customer satisfaction / contribution to local communities, etc.

## G: Governance

Corporate Governance /  
Compliance / Risk Management

### Key measures

- Corporate Governance: Improving the evaluation of the composition and effectiveness of the Board of
- Compliance: Raising awareness of the internal reporting system
- Risk management: Periodic risk assessment / prevention of information security incidents

### Sustainability • Governance

- Establishment of priority areas and review of materiality in line with changes in the external environment and progress and deepening of in-house initiatives
- Review the system and operation method of the Sustainability Committee → Establish materiality management
- Thorough implementation and internal penetration of the Sustainability Action Guidelines as well as the Corporate Philosophy System

- RBA / EcoVadis / CDP, etc. Aiming to further improve external evaluations
- Brush up the Integrated report (aiming for awards)

## 8 Medium-Term Management Targets



## 8

## Medium-Term Management Targets

## Medium-Term Management Targets

(Unit: Million yen)

	FY 2023/3	FY 2024/3	FY 2025/3
Net sales	77,962	76,895	82,884
VCCS	46,520	55,583	55,962
CTC	22,374	12,585	15,615
FC/MD	9,067	8,373	–
FC	–	–	7,134
MD	–	–	3,898
Incubation Center	–	345	271
Operating profit	4,739	1,617	4,226
Profit	3,147	1,511	2,227

	YoY net sales growth rate	16.6%	▲1.4%	7.8%
Minimum 10	Ratio of operating profit to net sales	6.1%	2.1%	5.1%
	ROE	6.9%	3.1%	4.8%
	YoY operating profit growth rate	1.2%	▲65.9%	161.4%
	ROIC	5.8%	1.8%	4.1%

Reference: Average exchange rate

152.60



	FY 2026/3 Target	FY 2028/3 Target	FY 2029/3 Target
		100,000	108,000
		57,000	60,000
		24,000	26,000
		–	–
		10,000	11,000
		5,000	6,600
		4,000	4,400
		10,000	12,960
		7,000	9,070
		–	8.0%
		10.0%	12.0%
		11.0%	12.9%
		–	29.6%
		8.7%	10.2%
	140.00	140.00	140.00

disclose  
the  
forecast as  
soon as a  
reasonable  
estimate  
becomes  
possible

※ROIC based on FY2024/3. Reference as FY 2023/3

Developing, Delighting  
***yokowo***