



Restar Group newly restarted

Restar Holdings Corporation

A year has passed from the merger to form Restar.
Through overhauling and innovating the businesses,
we newly restarted from this April.

We work towards our goal "Electronics Value Platformer",
and realize permanent growth and development.

To comprehend whole businesses/managements/strategies,
we transform to the "innovative-collective structure" and drive it.

The Electronics Value Platformer

We work towards our goal "Electronics Value Platformer" which can deal with all kinds of needs by utilizing information and technology, promoting the collaborative creation and exerting the group effort.

Visualize the future and create a new market

Solving issues around the world
regarding electronics



Solving issues around the world regarding electronics

The Electronics Value Platformer

Global (in view and scale) / Social Contribution / Collaboration and Innovation

Information and technology

Create a innovative business

Solving social issues

Group synergy

Improve added value
Diversify a business function

Various business activities

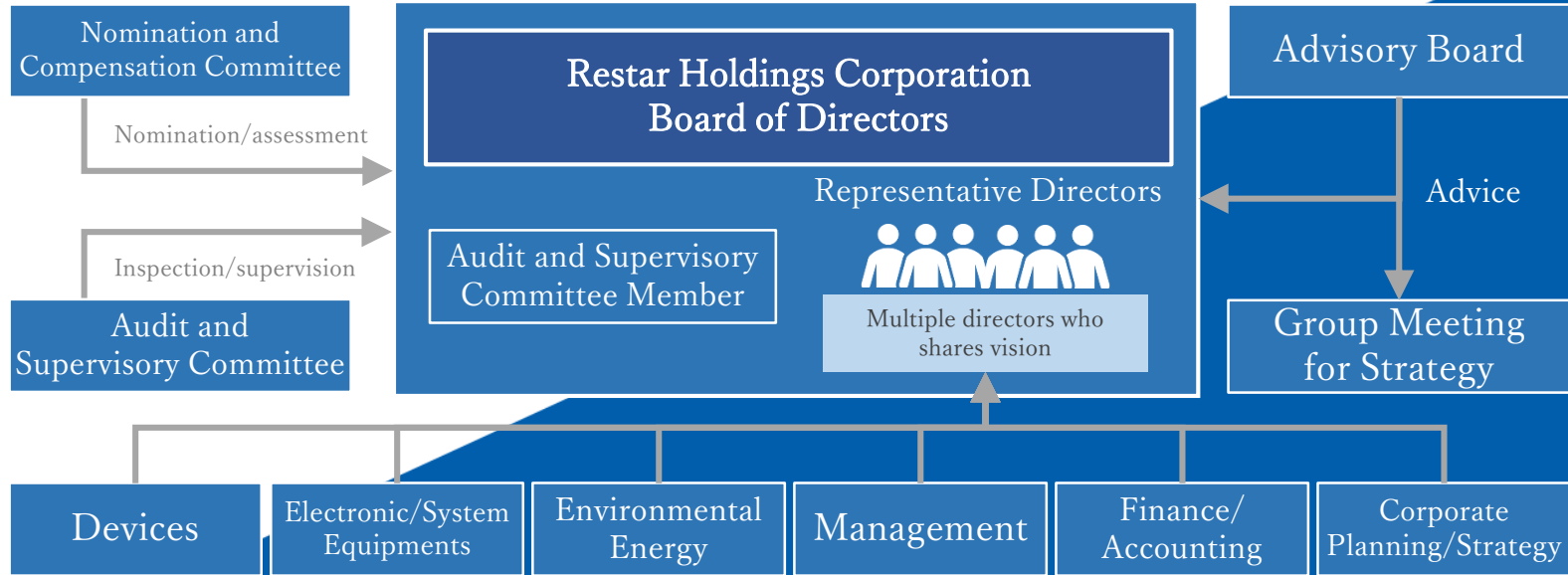
Strengthen a trading company function
(Expand customers and the product lineup)



The Innovative-Collective Structure

We transformed to innovative management structure which has multiple representative who shares management philosophy and vision instead of one Chair person or President.

The Innovative-Collective Structure



Newly established “Group Meeting for Strategy” for discussing flexibly our corporate strategy including business synergy and “Advisory Board” that consists of company management specialists from multiple fields such as electronics industry in order to advise on each strategy and support the decision.

Improve the system of corporate governance more functional with enhancing “Audit and Supervisory Committee” and “Nomination and Compensation Committee”

Restar Holdings Corporation

FY 2019 (Apr 2019 – Mar 2020)

Consolidated Financial Presentation

May 13, 2020



FY 2019 (Apr 2019 – Mar 2020) Consolidated Financial Results



Financial Highlights

(Millions of yen)

(Millions of Yen)	FY 2018		FY 2019	
	¥	% of revenues	¥	% of revenues
Net Sales	205,771	—	379,548	—
Gross profit	15,513	7.5%	25,651	6.8%
SGA	11,005	5.3%	19,013	5.0%
Operating Profit	4,508	2.2%	6,637	1.7%
Ordinary Profit	4,198	2.0%	9,025	2.4%
Profit Attributable to Owners of Parent	2,192	1.1%	5,722	1.5%

*Amortization of goodwill and amortization of intangibles by merger are included in FY 2019.

Net Sales : Growth by merger, Procurement and Environmental Energy contribute to net sales increase

Operating Profit : In spite of shrink of collected allowance for doubtful accounts in previous year and increase of amortizations of goodwill/intangibles, keep profit gain by merger effect as a main factor

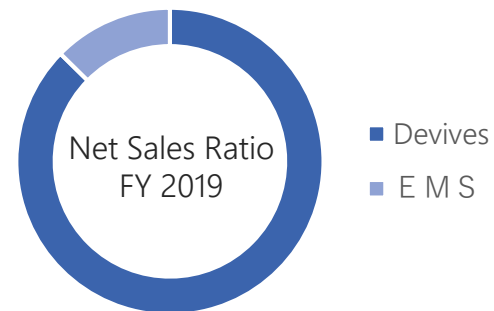
Ordinary Profit/Profit Attributable to Owners of Parent :

Investment gain on equity method (non-operating income). The news about "Stock acquisition (Application of the Equity method) " was released on May 13, 2019.



Semiconductor/Electronic Components

(Millions of Yen)	FY 2018	FY 2019 (*2)	(reference) FY 2018
	Amount	Amount	Amount
Net Sales	185,374	275,170	308,620
Operating Profit	3,955	4,406	6,135



(*1)

- Devices (Segment for this report is compared with aggregated figures in previous year. The other segments are also same)
 - Net sales decrease by the impacts of softening demand of consumer products and our vendor's bankruptcy
 - Enforced cost reduction by local offices integration, reviewing controllable cost and improving transaction condition
 - Profit decrease by shrink of collected allowance for doubtful accounts in previous year and amortizations of goodwill/intangibles
 - Work on enhancement of technological capabilities and co-creation with our business partners further more with improving sales promotion step and profit ratio
- E M S
 - Plant utilization improved by demand growth of display material for information communication terminal for overseas market, and net sales growth by extension of components for module market

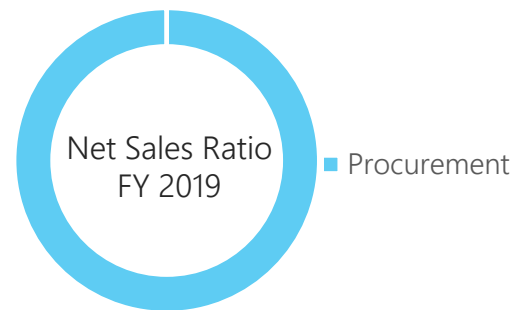
(*2)



Procurement

(Millions of Yen)	FY 2018	FY 2019	(reference) FY 2018
	Amount	Amount	Amount
Net Sales	–	73,394	55,243
Operating Profit	–	386	463

(*3)



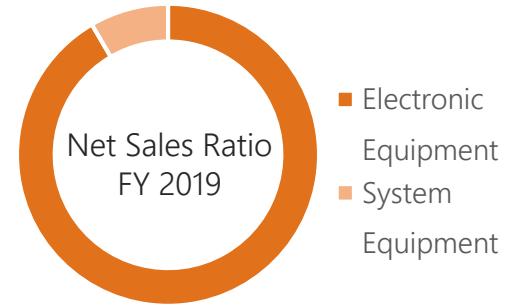
■ Procurement

- Net sales increase by business expansion for major computer manufacturer in Hong Kong and growing the number of Automotive/Computer Equipment handling effected by strengthening collaboration with Panasonic Group
- Profit decrease by amortizations of goodwill/intangibles and so on
- Work on expanding business field by beginning a new approach at developing new customers by cooperation with “Devices”, operating standard efficiently and company reorganization.

Electronic Equipment

(Millions of Yen)	FY 2018	FY 2019	(reference) FY 2018 (*5)
	Amount	Amount	Amount
Net Sales	22,080	22,871	22,971
Operating Profit	739	1,060	976

(*4)



■ Electronic Equipment

- Net sales growth by working on large-scale businesses for the markets on broadcasts or editorial studios, demand increase for major commercial broadcasts, for promotion of replacing monitors to 4K equipment and for public/medical institutions

■ Measuring Equipment

- Steady growth

■ System Equipment

- Net sales growth by steady increase of cashless payment terminal, access control system and so on.

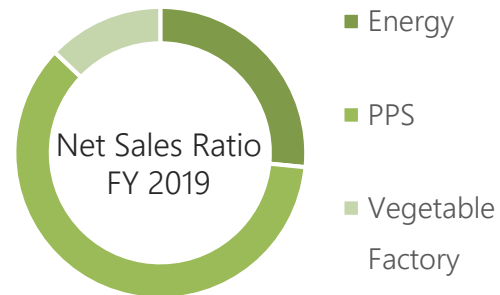
■ Whole net sales growth in the same level of previous year, increase in operating profit by reviewing cost radically

- Strengthen cooperation further more among "audio/video solution business", "terminal unit utilizing NFC (Near Field Communication technology) business" and "maintenance business".

Environmental Energy

(Millions of Yen)	FY 2018	FY 2019	(reference) FY 2018 (*7)
	Amount	Amount	Amount
Net Sales	–	10,889	10,313
Operating Profit	–	580	1,255

(*5)



■ Energy

- Net sales growth by rapid increase in panels/components sales for newly setting up solar power plants, by establishing own solar power plant more (51 places in Japan: as of the end of April 2020) and by working on wind power plant and solar sharing (solar energy production with harvest utilizing idle farmland)

■ Power producer and supplier

- Continuingly focus on a new power supply scheme of "Local Production and Consumption" after Feed-in Tariff payment period.
- Keep aim for saving purchasing cost through reduction of dependency on JEPX (wholesale electricity market).

■ Vegetable Factory

- Establishing the largest size of supply system among Japan and expand product lineup, sales increase in B2B market such as convenience store or super market chain
- Promoting turning to the characteristic product, improving production efficiency and build a new sales scheme

■ Growth in whole net sales, profit decrease by amortizations of goodwill/intangibles and so on as the large factor

Notes for the report on four segments:

(1) Calculated as simply aggregated figures of UKC's "Semiconductor/Electronic Component" and "Quality and Reliability Test/Environmental Material Analysis Service" with Vitec's "Devices (except Measuring Equipment)" for FY 2018.

Amortization of goodwill and amortization of intangibles by merger are included in FY 2019.

(2) A parts of foreign subsidiaries' financial period are changed from December 31, 2018 to March 31, 2019: consolidated financial performance in FY 2019 includes these subsidiaries' between January and March. (Term change of the fiscal year affects 8,946 million yen as net sales and 249 million yen as segment operating income)

(3) Figures are Vitec's "Procurement" for FY 2018.

Amortization of goodwill and amortization of intangibles by merger are included in FY 2019.

(4) Calculated as simply aggregated figures of UKC's "Electronic Equipment" and "Contactless IC card" with Vitec's "Measuring Equipment" for FY 2018.

Amortization of goodwill and amortization of intangibles by merger are included in FY 2019.

(5) Figures are Vitec's "Environmental Energy" for FY 2018.

Amortization of goodwill and amortization of intangibles by merger are included in FY 2019.



Consolidated Balance Sheet

(Millions of yen)

(millions of yen)	As of March 31, 2019	As of March 31, 2020
Assets		
Current Assets	88,289	134,297
Fixed Assets	9,071	62,756
Total Assets	97,361	197,053
Liabilities and Equity		
Current Liabilities	57,878	103,432
Fixed Liabilities	624	19,852
Equity	38,858	73,768
Total Liabilities and Equity	97,361	197,053
Equity Ratio	—	35.7%
BPS (¥)	—	2,340.78



Cash Flows

(Millions of yen)

■ Cash flows from operating activities	16,591
> Increase in profit before income taxes, amortization of goodwill, share of loss (profit) of entities accounted for using equity method	
■ Cash flows from investing activities	△ 16,386
> Purchase of investments in subsidiaries and affiliates	
■ Cash flows from financing activities	2,683
> Increase in short-term loans, cash dividends paid	
■ Increase in cash and cash equivalents, others	5,346
Cash and cash equivalents at end of period	21,195



Financial Forecasts for FY 2020

- It has been very difficult that we make a decision for full-year financial forecasts because the impact of COVID-19 (Coronavirus) is unclear.
- With identifying the impact continuously, we will determine financial forecasts in all directions and disclose information promptly.

Dividend Forecast

- Aim for 50% or more of total shareholder return ratio, keeping stable and sustainable dividends payout
- Work on strategic investment for our future growth to improve capital efficiency sustainably and expand profit even further
- Prepare internal reserve for capital demand increase in business expansion

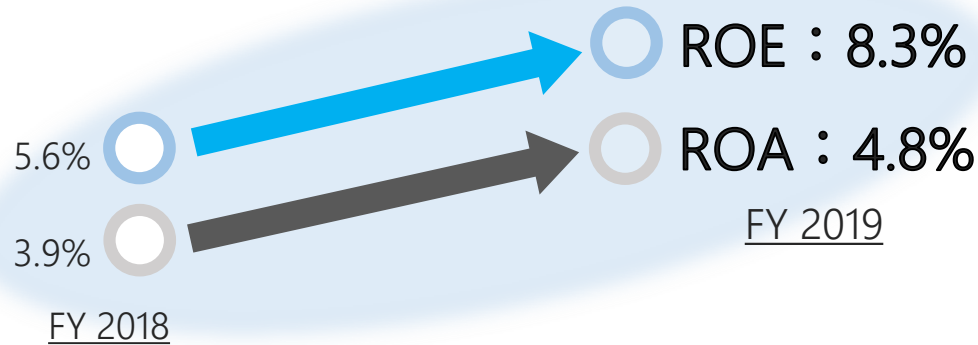
▼FY 2020 (Year-ended March 31, 2021) Dividend Forecast

	Dividend per share (yen)		
Period	1 st Half (expected)	2 nd Half (expected)	Annual (expected)
FY 2020	35.00	35.00	70.00 (Ordinary dividends 70.00)



Strengthen Financial Standings by Merger and Strategic Investment

■ Improvement of important management index



Contributory factor is improvement of capital productivity

Working capital ratio
Credit/stock management

Fixed asset efficiency
Review fixed asset such as cross-shareholdings

■ Improvement of cash flow from operating activities

Expand business fields by merger and make a foundation for profits by rationalization

(Millions of yen)	FY 2018	FY 2019
OCF	10,067	16,591
ICF	△1,199	△16,386
FCF	△13,133	2,683

Improved OCF is allotted for the strategic investment

Our Action for Social Issues

Restar Group has been actively tackling the ESG (Environment/Society/Governance) activity.
We will work harder to execute our project of SDGs (Sustainable Development Goals).

Basic Principle Regarding the SDGs

Restar Group contributes continuous development all over the world by real involvement in SDGs activity.

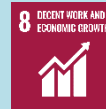
Our aim is to create business opportunities while contributing to society by connecting SDGs implementation to actual business.

*Our company group sets "Contribution to society" as a one of our pivotal business motto on our mission, vision and value.

Solar Energy in the Form of Farming : From Feb 2018



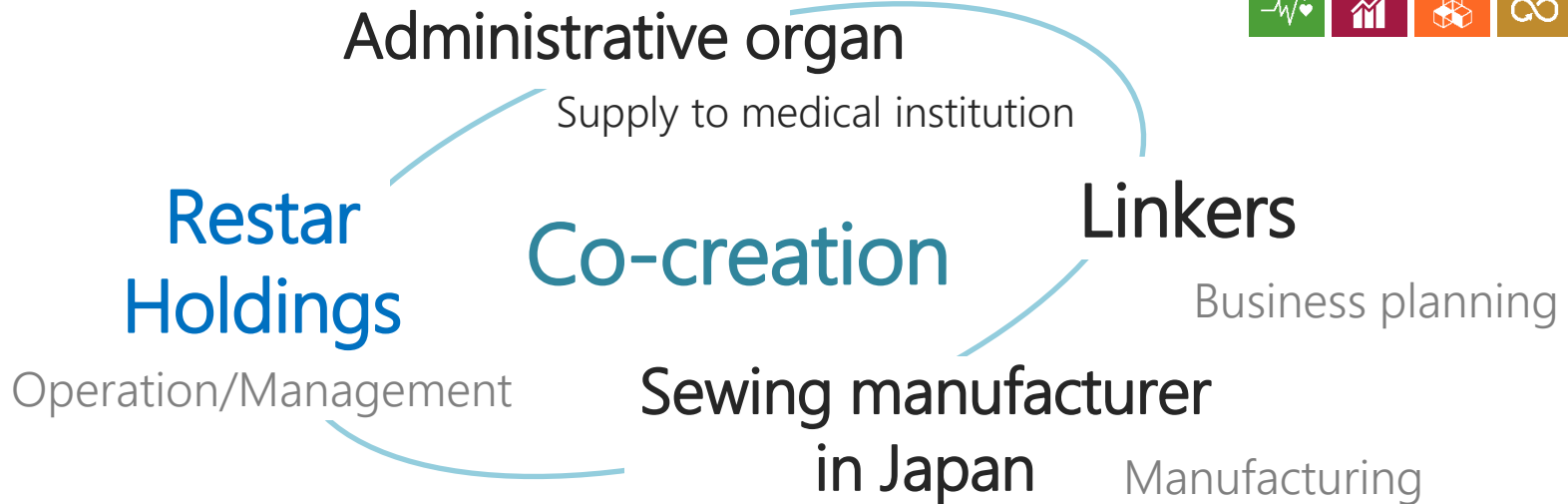
Vitec Agripower utilize idle farmland with production, processing and sales
(From Feb 2020, started growing sweet potato)



Here is the other initiatives for the SDGs > <https://www.en.restargp.com/ir/sdgs-esg/>

Contribution to Medical and Industry

Manufacturing and supply of medical gown



Activate local industries

Cooperation with
small to medium enterprises

Support medical field



Solutions for Work System Reform



Various business activities of Restar group



Video/Audio/Communication/
Construction of meeting room

Technology of contactless IC card/
Access control/Security



Restar Communications
(former: Kyoshin Communications)

Restar Castec
(former: UKC Technosolution)



Remotework

Online

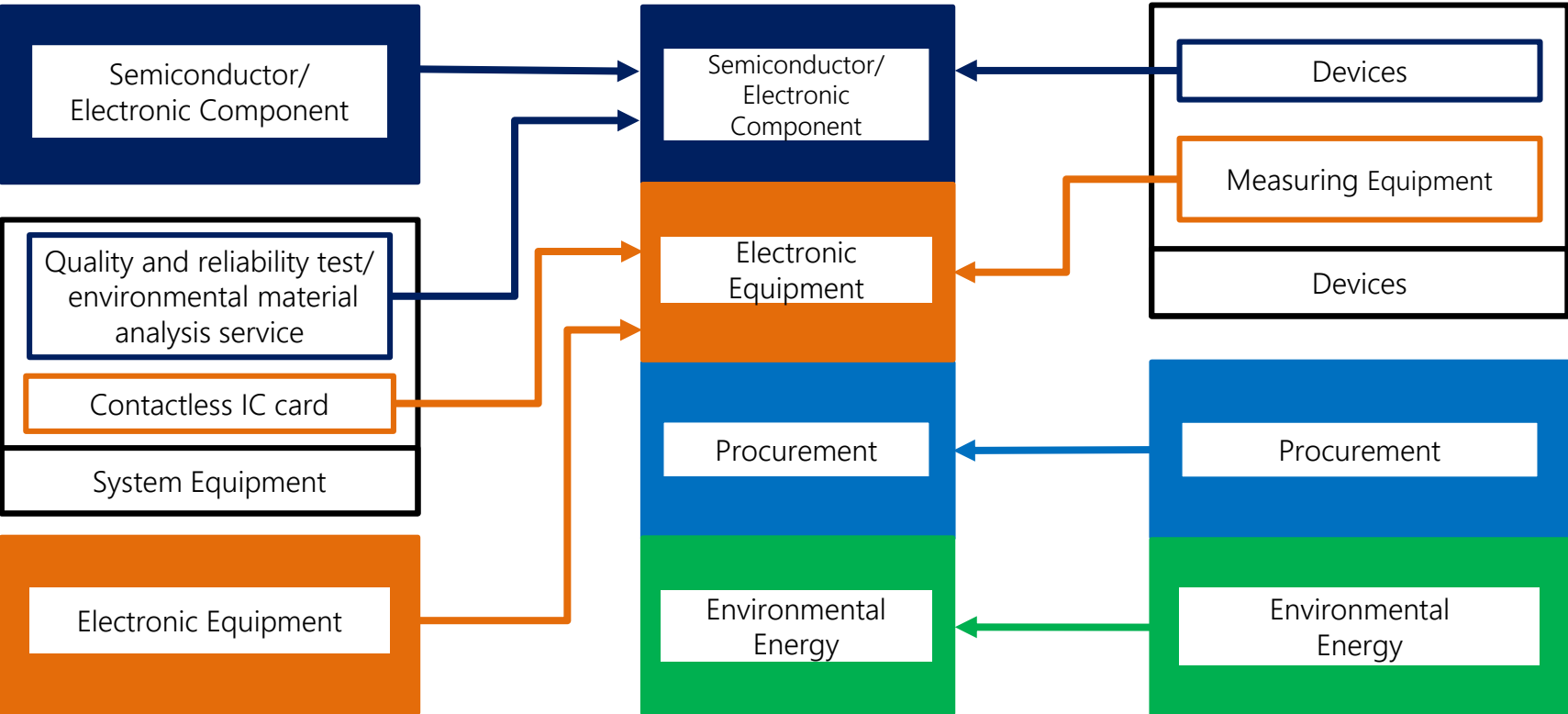
Shared office

Support "work system reform"
by Restar Group's proposal for system and solution

APPENDIX



Segment Changes



UKC

Restar

Vitec



Business Overview

Semiconductor/
Electronic
Component

Semiconductor/Electronic Component

- Deal in “cutting-edge” and energy/environmental devices from worldwide
- Offer unique solutions by wide range of products, high level technological support

Semiconductor/
Electronic
Component

Quality and reliability test/ environmental material analysis service

- Variety of quality evaluations and hazardous substances test for devices and electronic components

Semiconductor/
Electronic
Component

System Engineering

- LSI designing, evaluation and test services for semiconductors, especially for image sensors



Business Overview

Semiconductor/
Electronic
Component

EMS

- Electronic component mounting for OEL panel in our group's factory, and comprehensive purchase, production control and quality assurance function

Procurement

Procurement

- Offer optimal supply chain management system to customers through global procurement/trading and entrustment service



Business Overview

Electronic
Equipment

Electronic Equipment

- Total solution from design, execution to maintenance of equipment for communication, audio, video and broadcast
- Offer solutions by cutting-edge technologies of data processing, audio and video

Electronic
Equipment

Measuring Equipment

- Offer unique applications of measuring, usage, system, and designing
- Support services of repair, measurement calibration for research, development, and sales

Electronic
Equipment

System Equipment

- Development, production and sales of NFC (Near Field Communication) technologies including Felica



Business Overview

Environmental
Energy

Renewable Energy

- Introduce solar and wind power generation as renewable energy, to promote operation management services with local partners

Environmental
Energy

Power Producer and Supplier

- Comprehensive energy management by consulting, power supply, broker focused on renewable energy

Environmental
Energy

Vegetable Factory

- Production and sales of vegetables in completely closed factories for B2B market such as convenience stores and restaurant chains



Management Principles of the Restar Group

Mission

We help society evolve by leveraging information and technology to create and deliver new value and services.

Vision We aim to be a comprehensive electronics trading company that accommodates all manner of stakeholder needs.

“Global (in view and scale)” “ Social Contribution”
“Collaboration and Innovation”

Value

- Through collaboration, we reflect diverse points of view as we create new cultures and values.
- Through innovative ideas and passion, we take on challenges and aim for higher targets.
- By expanding our business arena to encompass the entire world, we contribute to sustainable social evolution.



< Investor Relations Contact >

N.Takashima, H.Yoshida, T.Sakakibara PR.CSR.IR Department
E-mail irpr@restargp.com

Disclaimer

This presentation is a reference translation of the Japanese original.
The contents is informational only and does not constitute to the official.

