

# Restar Holdings Corporation

1Q FY 2020 (Apr 2020 – Jun 2020)

Consolidated Financial Presentation

August 12, 2020



# 1Q FY 2020 (Apr 2020 – Jun 2020) Consolidated Financial Results



# Financial Highlights

(Unit : Millions of yen)

	1Q FY 2019		1Q FY 2020		YoY in 1Q	
	¥	% of Net Sales	¥	% of Net Sales	Growth	% Growth
Net Sales	106,973	—	68,663	—	△ 38,310	△35.8%
Gross Profit	6,878	6.4%	5,693	8.3%	△ 1,185	△17.2%
SGA	5,244	4.9%	4,676	6.8%	△ 568	△10.8%
Operating Profit	1,633	1.5%	1,016	1.5%	△ 617	△37.8%
Ordinary Profit	3,992	3.7%	1,081	1.6%	△ 2,911	△72.9%
Profit Attributable to Owners of Parent	3,547	3.3%	745	1.1%	△ 2,802	△79.0%

\*Amortization of goodwill and amortization of intangibles by merger are included in 1Q FY 2019 and 1Q FY 2020.

A 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.

Net Sales : Decrease compared to the previous year by lowering of production availability and sluggish demand

Gross Profit : Increase through improving the product mix

Operating Profit : In spite of SGA reduction, profit decline by sales decrease

Ordinary Profit/Profit Attributable to Owners of Parent :

In the previous year, investment gain on equity method (non-operating income) was appropriated

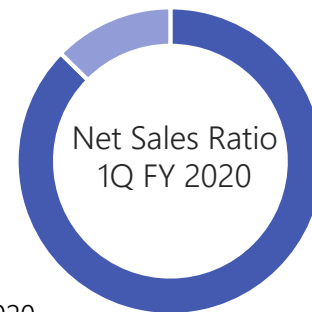
\*Positively created new business scheme such as operation management of production and supply of medical gown that is a new business form outside of our existent domain



# Semiconductor/Electronic Components

(Unit : Millions of yen)

	1Q FY 2019	1Q FY 2020	YoY in 1Q	
	¥	¥	Growth	% Growth
Net Sales	80,687	47,354	△ 33,333	△41.3%
Operating Profit	1,067	1,376	309	29.0%



- Devices
- E M S

\*Amortization of goodwill and amortization of intangibles by merger are included in 1Q FY 2019 and 1Q FY 2020.

A 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.

## ■ Devices

- Net sales decrease due to production adjustment of automotive-related materials, decline in demand for consumer products and so on

## ■ EMS

- Steady growth of display materials for information communication terminal for overseas market
- Net sales decrease slightly by normalization of the impact of changing accounting period

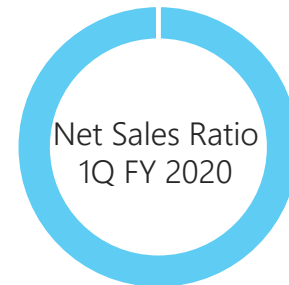
## \*Operating profit

- Growth with profit rate by contribution to sales by starting new business, in addition to the reduction of SGA

# Procurement

(Unit : Millions of yen)

	1Q FY 2019	1Q FY 2020	YoY in 1Q	
	¥	¥	Growth	% Growth
Net Sales	19,696	16,052	△ 3,644	△18.5%
Operating Profit	118	△ 102	△ 220	—



■ Procurement

\*Amortization of goodwill and amortization of intangibles by merger are included in 1Q FY 2019 and 1Q FY 2020.

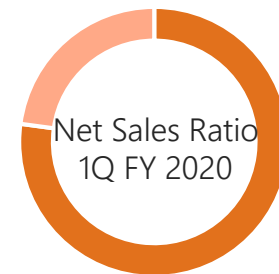
## ■ Procurement

- Net sales decrease due to the impact of adjustment in the production/sales and delay in starting new procurement business
- Work for developing new scheme of supply chain management through cooperation with external partners, in addition to keep growing sales by enhancing supply chain efficiency

# Electronic Equipment

(Unit : Millions of yen)

	1Q FY 2019	1Q FY 2020	YoY in 1Q	
	¥	¥	Growth	% Growth
Net Sales	4,314	3,415	△ 899	△20.8%
Operating Profit	△ 137	△ 144	△ 7	—



- Electronic Equipment
- System Equipment

\*Amortization of goodwill and amortization of intangibles by merger are included in 1Q FY 2019 and 1Q FY 2020.

## ■ Electronic Equipment

- Net sales decrease due to decline in demand of broadcast equipment or measuring equipment for enterprises

## ■ System Equipment

- Net sales and profit growth by the steady increase of demand of cashless payment terminal (contactless IC terminal) and so on

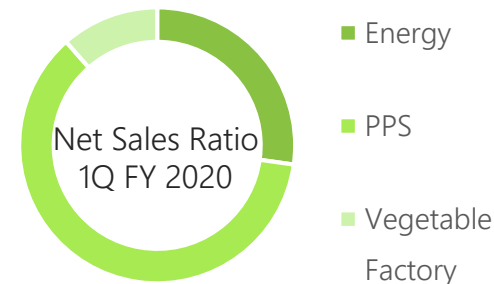
\*In addition to life science field, promote business expansion for new normal with video conference system, on-line education system, thermometry system

\*Restar Solution Support Corporation started the services in July 1, 2020 in order to offering maintenance service towards customers and our group businesses

# Environmental Energy

(Unit : Millions of yen)

	1Q FY 2019	1Q FY 2020	YoY in 1Q	
	¥	¥	Growth	% Growth
Net Sales	3,067	2,544	△ 523	△17.0%
Operating Profit	491	86	△ 405	△82.4%



\*Amortization of goodwill and amortization of intangibles by merger are included in 1Q FY 2019 and 1Q FY 2020.

## ■ Energy

- Net sales decrease mainly due to decline in demand of panel sales and the impact of unsettled weather
- Solar power business in Taiwan and wind power business newly developed are in progress as planned

## ■ Power producer and supplier

- Net sales decrease due to decline in demand of electric power for offices
- Promote a new initiative for local production and consumption of energy after Feed-in Tariff payment period

## ■ Vegetable Factory

- Net sales decrease slightly due to decline in demand for metropolitan area
- Expansion of the range of products through cooperating with convenience store chains are in prospect, adding to further improving production efficiency

# Consolidated Balance Sheet

(Unit : Millions of yen)

	As of March 31, 2020	As of June 31, 2020
Assets		
Current Assets	133,937	124,271
Fixed Assets	63,116	64,752
Total Assets	197,053	189,023
Liabilities and Equity		
Current Liabilities	103,432	97,053
Fixed Liabilities	19,852	18,723
Equity	73,768	73,247
Total Liabilities and Equity	197,053	189,023
Equity Ratio	-	37.1%
BPS (¥)	-	2,329.57





# FY 2020 Full-Year Forecast and Year-on-Year Rate



# Full-Year Forecast and YoY Rate

(Unit : Millions of yen)

	FY 2019	FY 2020 Full-year Forecast	YoY Rate
	¥	¥	
Net Sales	379,548	350,000	92.2%
Operating Profit	6,637	6,000	90.4%
Ordinary Profit	9,025	6,000	66.5%
Profit Attributable to Owners of Parent	5,722	5,000	87.4%

- Accelerate on our growth strategy, and strengthen development of distributing territory in every fields to offer our customers
- Work on new business expansion such as initiatives by co-creation with our partners, various development with local government, active sales of support system for teleworking and upgrade of new businesses
- Promote some initiatives directly connected to solving social issues even more

\*Full-year forecast announced is based on the current available information considering business recovery in each segment



# Shareholder Return Policy

**Total Shareholder Return Ratio\*: 50% or More**

\*(total dividend + total stock buybacks) / adjusted consolidated profit

- Keep stable and sustainable dividends payout in the medium term
- Work on strategic investment for our future growth to improve capital efficiency sustainably and expand profit even further

Period	Dividend Per Share (Yen)		
	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	Annual
Dividend Forecast (FY 2020)	35.00	35.00	70.00



# TOPICS



## Electronics Value Platformer

Solving our customers' issues by electronics

Create an innovative  
business

Information × Technology  
Improve added value

Businesses Synergies

Various business  
activities

### 1 . Creation of New Business Form

Operation support for medical gowns, actions for "Expire FIT"

### 2 . Solution Proposal for Adjust to "New Normal"

Various solutions by Restar group businesses

### 3 . Offer Remotework / Man-saving Solution

Co-creation with Blue Innovation

### 4 . Maintenance Services for Broad Areas

Restar Solution Support Corporation was established

# 1. Creation of New Business Form

Develop new business schemes outside of our existent domain

Operation support for medical gowns

Operation management support of production/supply by co-creation with Linkers

Activate local industries

Cooperation with small to medium enterprises

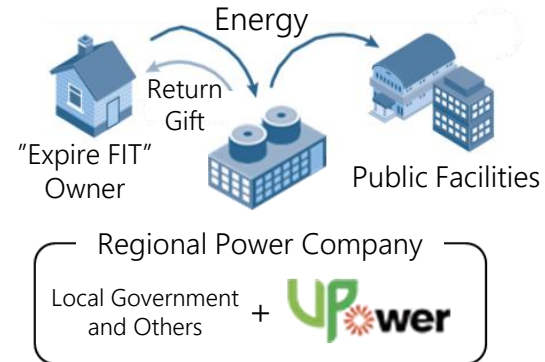
Support medical field (cooperation with administration)



## Actions for "Expire FIT"

Promote and reinvigorate local production and consumption of energy by co-creation with TRUST BANK

Utilize a donation service of "Expire FIT" energy



## 2. Solution Proposal for Adjust to "New Normal"

Offer various solutions by Restar group businesses

Support system  
for teleworking



On-line education system



Cashless payment



Access control and  
security system



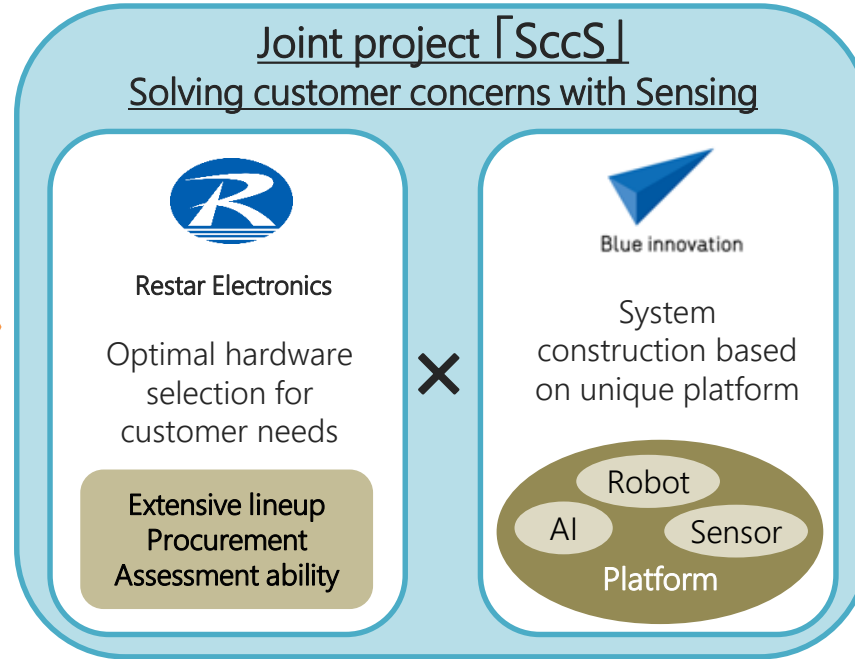
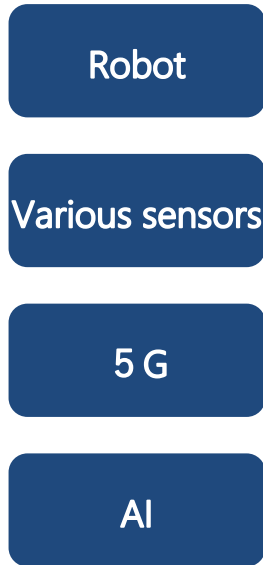
Contactless thermometry and  
face authentication system

\*Image is for illustration purposes.

### 3. Offer Remotework / Man-saving Solution Utilizing Sensing Technology

## Co-creation with Blue Innovation

Vendor/Partners



Actual Scene for Use



Here is the press release (in Japanese) about this business > <https://www.restargp.com/news/1121/>





## 4. In-house and High Quality Maintenance Services for Broad Areas

# Restar Solution Support Corporation was established

Goal **To be a comprehensive engineering company  
in the fields of design, construction  
and maintenance**

Mid-term

Expansion of customers and in-house support  
24 hours a day, 365 days a year

Short-term

Maintenance for Restar Group's other businesses

Started in July 1, 2020

Maintenance of video and audio equipment



# Management Principles of the Restar Group

## Mission

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

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## Vision

We aim to be “The Electronics Value Platformer” that accommodates all manner of stakeholder needs.  
“Global (in view and scale)” “ Social Contribution”  
“Collaboration and Innovation”

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## 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 >

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### Disclaimer

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The contents is informational only and does not constitute to the official.

