

# Restar Holdings Corporation

3Q FY2021 (Apr 2021 – Dec 2021)

Consolidated Financial Presentation

Feb 10, 2022



# 3Q FY2021 (Apr 2021 – Dec 2021) Consolidated Financial Highlights



# Financial Highlights

million yen	3Q FY20		3Q FY21		YoY	
	Amount	% of Net Sales	Amount	% of Net Sales	Growth	% Growth
Net Sales	234,827	–	296,260	–	61,432	26.2%
Gross Profit	19,163	8.2%	22,153	7.5%	2,989	15.6%
SG & A	14,279	6.1%	16,090	5.4%	1,811	12.7%
Operating Profit	4,884	2.1%	6,062	2.0%	1,178	24.1%
Ordinary Profit	4,346	1.9%	5,520	1.9%	1,173	27.0%
Profit Attributable to Owners of Parent	7,267	3.1%	5,416	1.8%	(1,850)	(25.5%)

## ➤ Net sales

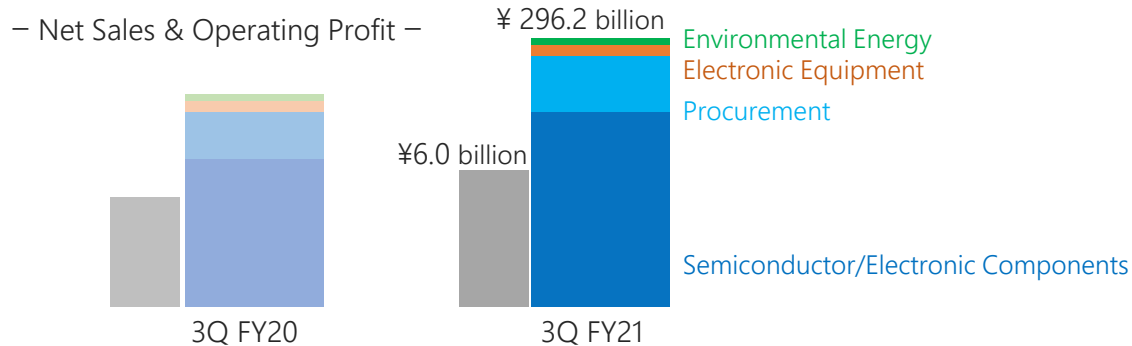
Increased in demand for components for various products such as consumer electronics and in-vehicle equipment, especially due to strong demand for semiconductors

## ➤ Operating profit and ordinary profit

Increased due to gross profit growth from net sales increase and managing SG&A expenses

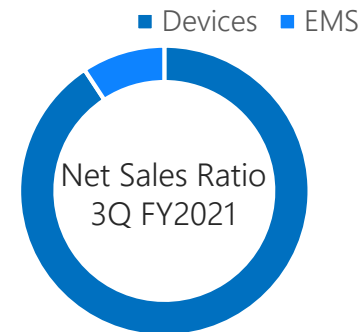
## ➤ Profit attributable to owners of parent

Decreased due to the impact of gain on sales of investment securities of 3,865 million yen recorded in the same period of the previous fiscal year, despite the recording of 1,934 million yen in extraordinary income as a gain on negative goodwill following the conversion of PALTEK into a wholly owned subsidiary



# Semiconductor/Electronic Components

million yen	3Q FY20	3Q FY21	YoY	
	Amount	Amount	Growth	% Growth
Net Sales	165,540	217,356	51,816	31.3%
Segment profit	5,557	6,232	675	12.2%



## ■ Devices

Net sales increased due to higher demand for consumer and automotive equipment, server-related equipment

## ■ EMS

Net sales Increase due to increased in orders for smartphones, etc., and increased in the number of components installed due to higher functionality of smartphones

## ■ Segment profit

Increased due to higher sales in device business and EMS business, despite the absence of transient high-profit projects in the previous fiscal year

## □ Forthcoming efforts

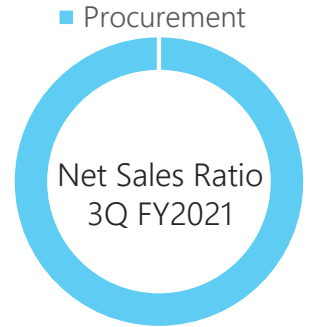
Business expansion by strengthening system proposal capabilities through further modularization with a core competence of PALTEK \*FPGA technology, and aim to get high-value-added projects

\*FPGA (field-programmable gate array) : Design can be changed by development engineers as many times as necessary. A type of integrated circuit that can be used in a wide range of applications, from communications and industrial equipment to home appliances.



# Procurement

million yen	3Q FY20	3Q FY21	YoY	
	Amount	Amount	Growth	% Growth
Net Sales	52,007	63,049	11,042	21.2%
Segment profit (loss)	(158)	517	676	-



## ■ Procurement

Net sales to the Panasonic Group increased due to higher demand for industrial, automotive and PC components, as well as strong performance in businesses other than those for the Panasonic Group

## ■ Segment profit

Increased due to improvement of gross profit on yen depreciation and reduction expenses in SG&A

## Forthcoming efforts

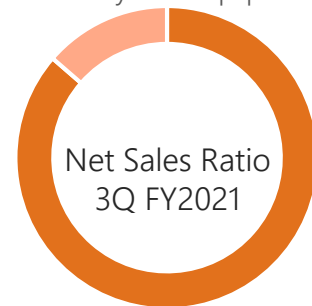
Expand added values in procurement functions and win new orders



# Electronic Equipment

million yen	3Q FY20	3Q FY21	YoY	
	Amount	Amount	Growth	% Growth
Net Sales	12,315	13,475	1,159	9.4%
Segment profit (loss)	148	(42)	(191)	-

■ Electronic Equipment  
■ System Equipment



## ■ Electronic Equipment

Net sales increased due to large-scale broadcasting-related equipment sales, and steady demand for shooting equipment and conference systems

## ■ System Equipment

Net sales decreased due to lower demand for cashless terminals for settlement mainly in line with lower demand for vending machines for office use and shipment impacted by disruptions in the supply chain caused by parts shortages, despite higher sales of personal identification equipment for personal identification numbers

## ■ Segment loss :

Decreased due to lower sales in System Equipment business and higher procurement costs

## □ Forthcoming efforts

Electronic Equipment : Focusing on large-scale LED business projects for corporations, and promote initiatives for educational institutions and local governments

System Equipment : Expanding manufacturing and sales of personal identification number-related devices, and promote development of new highly competitive products in collaboration with newly acquiring Cardservice Inc.



# Environmental Energy

■ Energy ■ PPS ■ Vegetable Factory

million yen	3Q FY20	3Q FY21	YoY	
	Amount	Amount	Growth	% Growth
Net Sales	7,127	6,768	(359)	(5.0%)
Segment profit (loss)	(32)	265	297	-



## ■ Energy

Net sales increased due to growth of solar and wind power generation in Japan and new solar power generation in Taiwan

## ■ Power producer and supplier (PPS)

Net sales decreased due to lower demand from private sectors because of continuation of telework

## ■ Vegetable Factory

Net sales declined due to lower demand from convenience stores and lower shipment volume due to the fire accident that occurred at the Kazuno plant in August 2021

## ■ Segment profit

Increased due to higher income in energy business and improved profitability in vegetable factory business

## □ Forthcoming efforts

Expanding renewable energy-related businesses and actively promoting initiatives for regional revitalization using microgrids (small-scale power grids), and developing new products and improving production efficiency on the vegetable factory business



# Consolidated Balance Sheet

Increase in accounts receivable due to consolidation of PALTEK and increase in sales, increase in inventories, and increase in short-term loans payable

(unit: million yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current Assets	146,133	180,750
Non-current Assets	44,252	52,630
Total Assets	190,385	233,380
Liabilities and Net Assets		
Current Liabilities	94,095	133,959
Non-current Liabilities	20,031	18,559
Net Assets	76,258	80,861
Total Liabilities and Net Assets	190,385	233,380
Capital Adequacy Ratio	38.6%	32.9%





# Full-Year Forecast and Progress

Full-year forecasts was revised on February 10, 2022.

million yen	Previous Forecast (Announced on May 12, 2021)	Revised Forecast (Announced on Feb 10, 2022)	% Growth	3Q FY21	Progress Rate
Net Sales	350,000	400,000	14.3%	296,260	74.1%
Operating Profit	6,500	7,000	7.7%	6,062	86.6%
Ordinary Profit	7,000	6,000	(14.3%)	5,520	92.0%
Profit Attributable to Owners of Parent	5,000	6,000	20.0%	5,416	90.3%



# Dividends Policy

Focus on financial stability based on consolidated full-year forecasts

- Improve a return to our shareholders by dividends payment as well as considering shares buyback
- Continue to review appropriate capital allocation along with positive strategic investment
- Aim to increase corporate value through further profit growth and improved capital efficiency



# Notice of Dividend Increase

## Year-end dividend : Dividend increased as special dividend

The year-end dividend forecast for the current fiscal year has been revised to ¥55 per share (ordinary dividend ¥45, special dividend ¥10), adding a special dividend of ¥10 per share from the previous forecast, in line with the revised full-year consolidated earnings forecast. As a result, the annual dividend per share is expected to be ¥100 (ordinary dividend ¥85, commemorative dividend ¥5, special dividend ¥10).

	Dividends per share (¥)		
	2nd quarter-end	Year-end	Total
Previous Forecast (Nov 11, 2021)	45.00 (Ordinary dividend 40.00) (Commemorative dividend 5.00)	45.00	90.00 (Ordinary dividend 85.00) (Commemorative dividend 5.00)
Revised Forecast (Feb 10, 2022)	ditto	55.00 (Ordinary dividend 45.00) (Special dividend 10.00)	100.00 (Ordinary dividend 85.00) (Commemorative dividend 5.00) (Special dividend 10.00)



# 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”

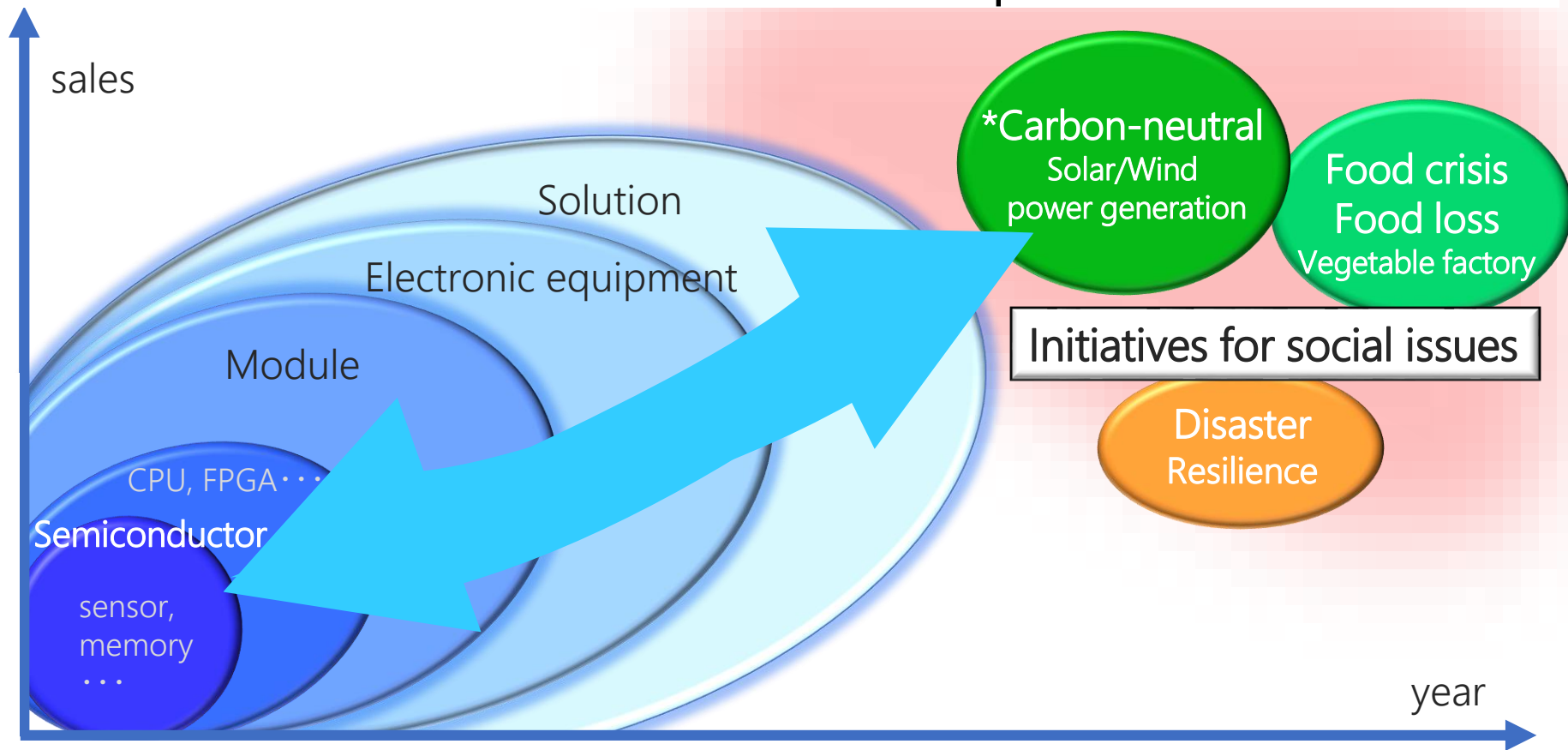
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## Value

- 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.



# Direction of the Restar Group's initiatives



# Restar Group Vision and Priorities

## The Electronics Value Platformer

Solving our customers' issues by electronics

Create an innovative  
business

Information × Technology  
Improve added value

Businesses Synergies

Various business  
activities

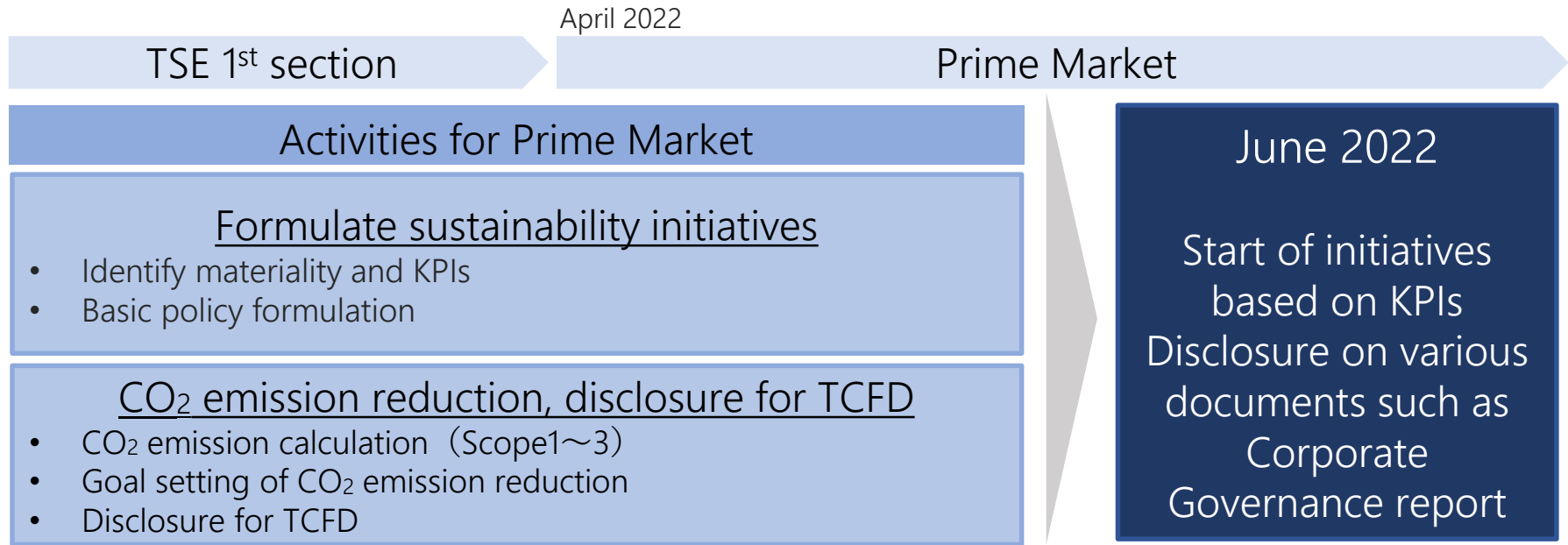
< Business Topics >

1. Activities on Sustainability matters and TCFD for Prime Market
2. Social contribution: Joint establishment a foundation
3. Cooperative business with Uhuru: Promoting resilient solutions for local governments
4. Restar Communications : Showroom opens



# 1. Activities on Sustainability matters and TCFD for Prime Market

Restar has been selected as a "Prime Market" stock and is promoting activities related to sustainability, carbon neutrality and TCFD, and will disclose specific details in the future



\*TCFD : Task Force on Climate-related Financial Disclosures



## 2. Social contribution: Joint establishment a foundation

### ～ Thoughts on Social Contribution ～

- To help develop technology in the agriculture, forestry and fisheries industries
- Broadly support the evolution of technology to solve issues related to food.
- Contributing to the sustainable development of global society



一般財団法人

**Konno&レスター財団**

Supporting projects : Research on innovative and advanced technologies in agriculture, forestry and fisheries

- ✓ Plant factory / facility gardening
- ✓ Marine aquaculture / land-based aquaculture
- ✓ Balanced forest production technology with environmental protection

Established on January 20, 2022, and start accepting applications for projects to be supported in February ( <https://kr-fd.or.jp/> : Japanese only)



# 3. Cooperative business with Uhuru: Promoting resilient solutions for local governments

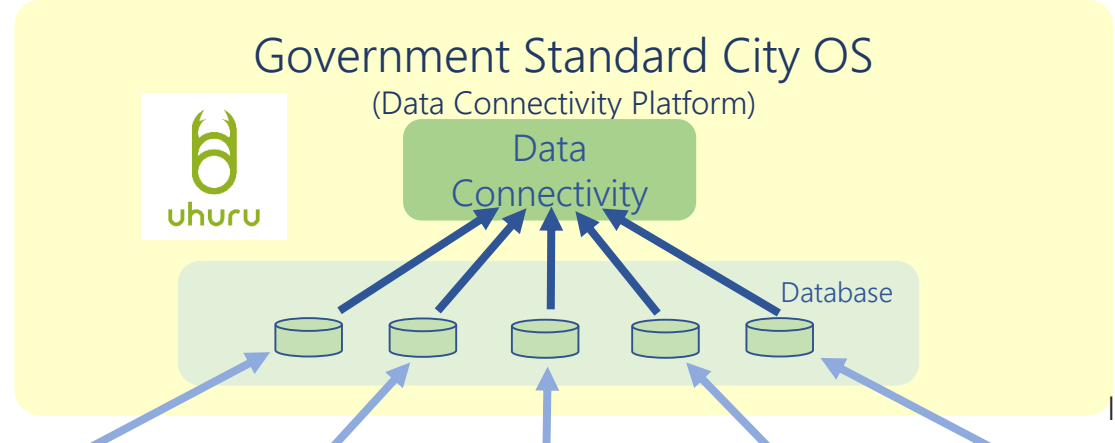
## Government Standard City OS

(Data Connectivity Platform)



Data Connectivity

Database



## Restar's business areas

(Hardware, Solutions, Collaboration with Local Governments)

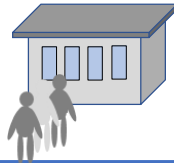
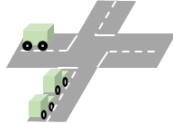
Strain Sensor (Monitoring)

Water Level Gauge (Flood monitoring)

Vehicle sensors (Traffic monitoring)

Human sensor (People flow)

Monitoring Renewable energy

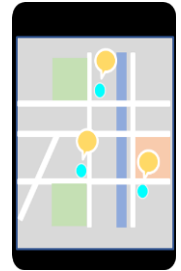


Service provision by leveraging the strengths of hardware and software

## Portal site service

- Disaster Info.
- Facility Info.
- Traffic Info., etc...

Contribution to strengthening local government resilience



Accelerating for smart city, super city

# 4. Restar Communications : Showroom opens

## Restar Vision Park

～ Hands-on showroom for the delicate and dynamic expressiveness of LED displays～

<https://www.restarcc.com/solution/corporation/led/> (Japanese only)



at Shinagawa, Tokyo

- Expressing realism and supporting speedy decision making

Example : Development support for car manufacturers

<https://www.restarcc.com/pickup/case/interview/mmc> (Japanese only)

- Supporting local governments to strengthen their disaster resilience

Example : Solutions for disaster prevention monitoring office

<https://www.restarcc.com/pickup/tag/bcp> (Japanese only)

### Realization of high quality and one-stop service

Planning, system design, space design by first-class architects, construction management by qualified personnel, and operational support

# < Investor Relations Contact >

IR Department

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## Disclaimer

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

