

Restar Holdings Corporation

FY2022 (Apr 2022 – Dec 2022)
Consolidated Financial Presentation

Feb 9, 2023



3Q FY2022

Consolidated Financial Highlights



Financial Highlights

Million yen	3Q FY21		3Q FY22		YoY	
	Amount	% of Net Sales	Amount	% of Net Sales	Growth	Change (%)
Net Sales	296,260	—	367,930	—	71,669	24.2%
Gross Profit	22,153	7.5%	31,841	8.7%	9,688	43.7%
SG & A	16,090	5.4%	18,865	5.1%	2,774	17.2%
Operating Profit	6,062	2.0%	12,976	3.5%	6,913	114.0%
Ordinary Profit	5,520	1.9%	10,652	2.9%	5,131	93.0%
Profit Attributable to Owners of Parent	5,416	1.8%	5,893	1.6%	476	8.8%

■ Net sales

Increased due to the strong performance in the Semiconductor and Electronic Components Business and the Procurement Business owing to firm demand for industrial equipment and in-vehicle equipment despite continued unsteady demand-supply conditions for semiconductors.

■ Operating profit and ordinary profit

Operating profit increased mainly owing to an increase in gross profit due to sales growth. Ordinary profit increased despite foreign exchange losses of ¥1,366 million.

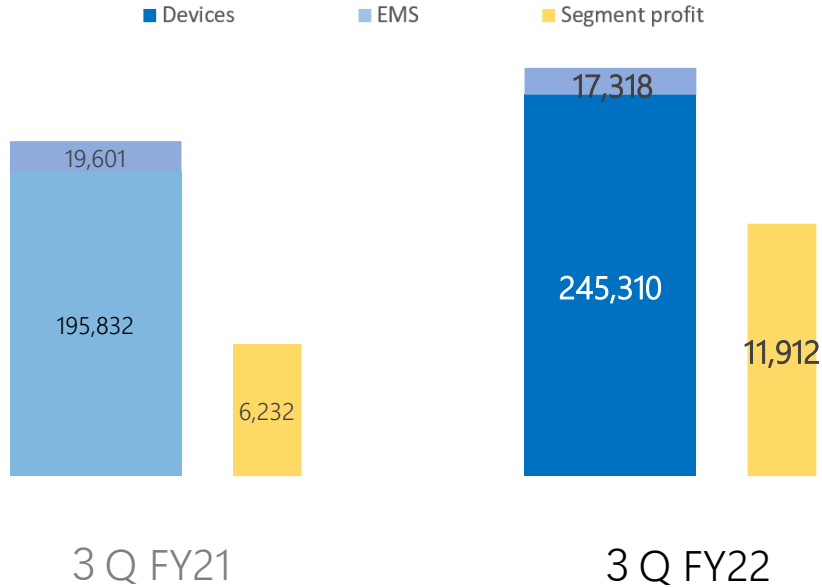
■ Profit attributable to owners of parent

The one-time factor of recording of ¥1,934 million in extraordinary income as gain on bargain purchase relating to the consolidation of PALTEK CORPORATION and its affiliates in the same period of the previous fiscal year did not exist. In addition, the Company recorded ¥831 million in extraordinary losses. However, profit attributable to owners of parent also increased.



Semiconductor and Electronic Components Business

(Million yen)



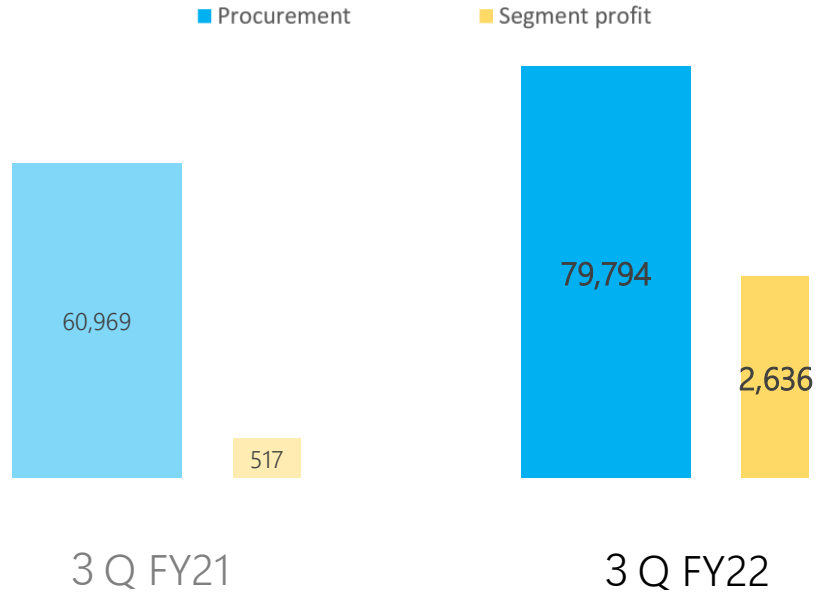
【Points】

- Devices
Despite a slowdown in the markets for some products, sales for industrial equipment and in-vehicle equipment remained firm. In addition, new customer development and sales growth at PALTEK CORPORATION contributed to the increase in sales.
- EMS
Despite the contribution of the business for in-vehicle displays, which started mass production, sales declined due to sluggishness in the mainstay smartphone business.
- Segment profit
Segment profit increased mainly due to sales growth in the devices business and the effect of depreciation of the yen, despite a decrease in profit in the EMS business.



Procurement Business

(Million yen)



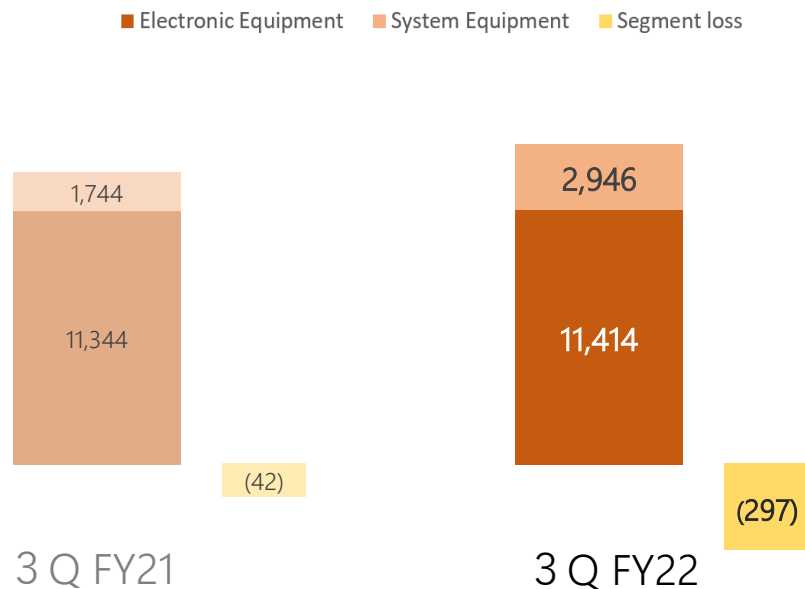
【Points】

- Procurement
Sales increased due to the expansion of new transactions both for the Panasonic Group and for companies other than the Panasonic Group.
- Segment profit
Segment profit increased owing to a decrease in SG&A expenses and an increase in gross profit due to the effect of depreciation of the yen.



Electronic Equipment Business

(Million yen)



【Points】

- **Electronic Equipment**
Although procurement difficulties continued due to a shortage of semiconductors, sales increased slightly as a result of system delivery due to office relocation and growth in demand for medical equipment.
- **System Equipment**
Sales increased due to the increase in sales of overseas made payment terminals resulting from the consolidation of CARDSERVICE INC. and higher demand for access control terminals for offices, and Individual Number authentication related devices.
- **Segment Loss**
Segment profit decreased despite higher sales due to an increase in purchasing costs resulting from the impact of the yen's depreciation and expenses incurred from additional man-hours in the electronic equipment business.

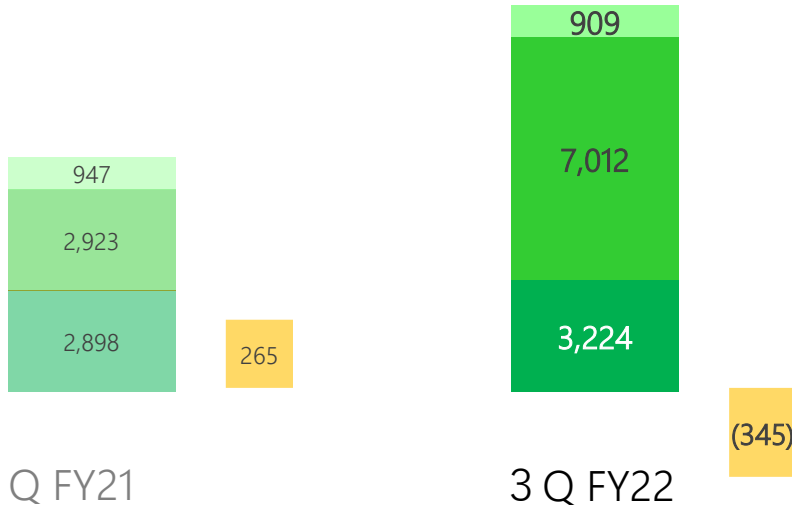


Environmental Energy Business

(Million yen)

■ Energy
■ Vegetable Factory

■ Power producer and supplier
■ Segment profit(loss)



【Points】

• Energy

Sales increased due to growth in power generation from new solar and wind power stations in Japan and overseas and other factors.

		Q3 FY21	Q3 FY22	YoY	
Energy Sales (incl. sales to PPS)		3,819	4,098	279	7.3%
Solar Power MW	Japan	147	151	4	2.5%
	Overseas	21	33	12	58.7%
	Total	168	184	16	9.4%

• Power producer and supplier (PPS)

Sales increased due to a continuing increase in demand for electric power, mainly in the public sector.

• Vegetable Factory

Shipments of new products increased, but sales declined slightly due to a review of sales destinations.

• Segment profit(loss)

Profit decreased due to losses in the new electric power business from soaring electricity procurement prices since the beginning of the fiscal year and losses in the vegetable factory business from soaring electricity prices, despite steady earnings in the energy business.



Consolidated Balance Sheet

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

Million yen	As of March 31, 2022	As of December 31, 2022
Assets		
Current Assets	185,525	226,070
Non-current Assets	56,432	58,473
Total Assets	241,958	284,543
Liabilities and Net Assets		
Current Liabilities	139,346	175,781
Non-current Liabilities	20,954	24,544
Net Assets	81,657	84,217
Total Liabilities and Net Assets	241,958	284,543
Capital Adequacy Ratio	32.1%	28.0%



Forecasts and progress for the full year ending March 31, 2023

■ There is no change to the full-year forecast (announced on November 10, 2022).

Million yen	Latest Forecast (Announced on Nov 10, 2022)	3Q FY22	Progress Rate
Net Sales	465,000	367,930	79.1%
Operating Profit	13,000	12,976	99.8%
Ordinary Profit	12,000	10,652	88.7%
Profit Attributable to Owners of Parent	7,000	5,893	83.7%



Shareholder Return Policy

Focus on financial stability based on consolidated earnings forecasts

- Improved returns to shareholders by paying dividends and considering a share buyback, etc.
- Proactive strategic investment and continuous review of appropriate capital allocation
- Aim to increase corporate value through further profit growth and improvement of capital efficiency

	Dividends per share (¥)		
	2nd quarter-end	Year-end	Total
FY2021 (Ended March 31, 2022)	45.00 (Ordinary dividend 40.00) (Commemorative dividend 5.00)	55.00 (Ordinary dividend 45.00) (Special dividend 10.00)	100.00 (Ordinary dividend 85.00) (Special dividend 10.00) (Commemorative dividend 5.00)
FY2022 (Announced on November 10, 2022)	40.00 (Ordinary dividend 40.00)	60.00 (forecast) (Ordinary dividend 60.00)	100.00 (forecast) (Ordinary dividend 100.00)



Management Principles of the Restar Group

Mission

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

Vision

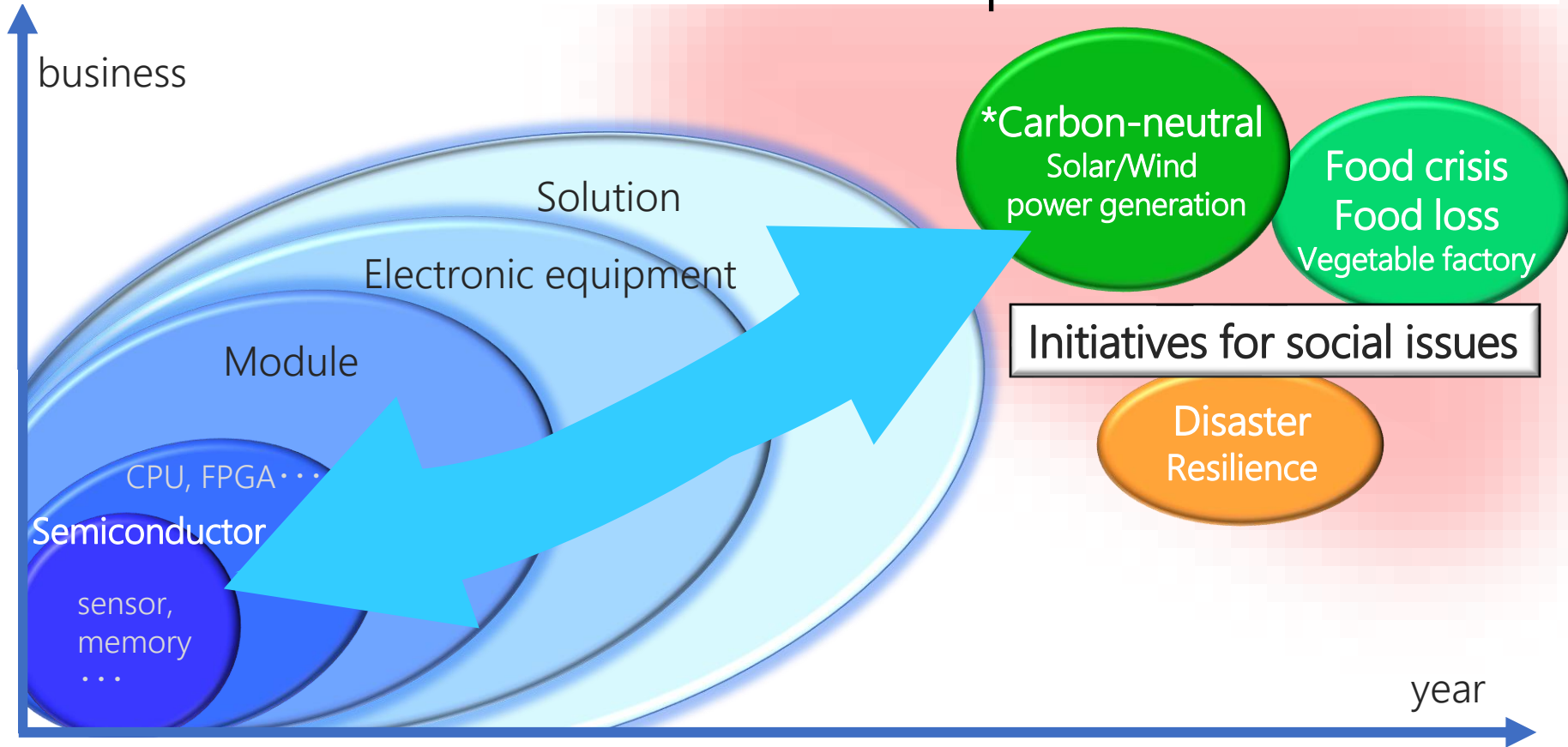
We aim to be “the Electronics Value Platformer” that accommodates all manner of stakeholder needs.
“Global (in view and scale)” “ Social Contribution”
“Collaboration and Innovation”

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



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. Power producer and supplier(PPS) : Contribution to world heritage
2. Solution development for devices business
3. Support safe and secure community for children and residents
4. Contributing to an environmentally friendly society through green loans

1. PPS received a certificate of appreciation : Contribution to world heritage

Maintain and conservation world heritage
as well as contribution to decarbonized society

Power producer and supplier (PPS)



Nikko Toshogu Shrine



Source : Nikko City Tourism Association

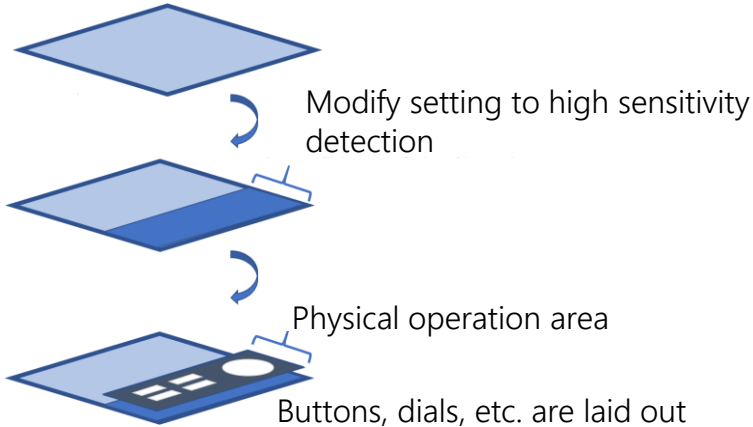
- Renewal of hydroelectric power plants and support for transition to *FIT
- Contribute to the resilience of the surrounding community as a disaster evacuation center

Supporting regional revitalization and resilience through
consultancy services that leverage our expertise

2. Solution development for devices business

Technology development : Physical buttons and dials on the touch panel (patented)

Conventional touch panel



Expansion into industrial equipment, automotive, and medical fields

Aiming to improve user operability and efficiency

3. Support safe and secure communities for children and residents

Provide watch-over service to Arita-cho, Saga prefecture

System provided by otta inc.

Distribute "watch-over terminals" with local governments



Location information to parents' apps

Passing watch-over spots



Source : otta inc.

Operation supported by Restar Electronics

Procurement and infrastructure setting



Operation support



Business promotor



Promote safe and secure communities for anticrime and resilience according to the needs of each municipality

4. Contributing to an environmentally friendly society through green loans

2. Investment in renewable energy through green loans

Japan Credit Rating Agency, Ltd. → Project Content Evaluation → Green finance framework Evaluation of "Green(F)" → Sumitomo Mitsui Trust Bank, Limited → 2.5 billion yen raised

Overview of solar power plant in Daigo-city, Ibaraki

Location	Daigo-city, Ibaraki
Power Generation	13.5MW
Projected annual power generation	14,826,107kWh
Annual CO ₂ reduction	About 5,765t

One of the materialities "Creating an environmentally friendly society" is driven with externally evaluated funding

(As previously reported 2Q FY2022 Consolidated Financial Presentation)

2nd green loan



■ Outline

Party to a contract	Nippon Life Insurance Company
Date of contract	December 29, 2022
Amount executed	1 billion yen
Use of funds	Construction fund for solar power plant in Daigo-cho in Ibaraki prefecture

Promote renewable energy business,
contribute to CO₂ reduction and carbon neutrality



< Investor Relations Contact >

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<Cautionary Statement Regarding Forward-Looking Statements>

Our current plans, forecasts, and strategies presented in this presentation are forward-looking statements about our future performance and are based on our judgment derived from the information currently available to us.
They are based on our judgment derived from the information currently available to us.

Actual results may differ from these projections due to changes in various external and internal factors.

Important factors that may affect actual results include, but are not limited to, global and Japanese economic trends, sharp fluctuations in foreign exchange rates, war and terrorist activities, disasters, and epidemics.
war, terrorist activities, disasters and epidemics, etc.

