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May 28, 2024

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(Code: 3156 Tokyo Stock Exchange Prime Market)
Representative: Tomoharu Asaka,
Representative Director,
Vice President
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Notice Concerning Formulation of Medium-Term Management Plan and “Actions toward achieving management conscious of cost of capital and stock prices ”

Restar Corporation (hereinafter, the “Company”) hereby announces that the meeting of the Board of Directors today approved a Medium-term Management Plan ending in the fiscal year ending March 31, 2027 (FY2026), as described in the attached document. In addition, the Company hereby announces that “Actions toward achieving management conscious of cost of capital and stock prices ” is also described in the Medium-term Management Plan.



Medium-Term Management Plan

May 29, 2024
Restar Corporation

Agenda

1. Company Profile (Group history and management philosophy)
2. Medium-term management plan
 - ① Basic policies of the Medium-term management plan
 - ② Medium-term management plan goals
 - ③ Four aimed business in the Medium-term management plan
 - ④ Priority measures for four businesses
 - ⑤ Information platform infrastructure
3. Actions toward achieving management conscious of cost of capital and stock prices
4. Capital policy in the Medium-term management plan
 - ① Cash allocation
 - ② Shareholder return policy
5. Human capital management

1.Company Profile(Group history)

- In addition to implementing M&A and capital alliances in Japan and overseas, pursue group synergies to become an “The Electronics Value Platformer” that accommodates all manner and achieve sustainable development of the world and society through information and technology

■ from April 2019

Restar Holdings

Promote M&A and capital alliances centered on semiconductors and electronics

M&A examples

PALTEK

Semiconductor trading company

2021

Card Service

Sales company of Overseas payment terminal

2022

AIT Japan

Semiconductor trading company under WPG Holdings

2022

Four subsidiaries of TSUZUKI DENKI Group

-Electronic parts trading company
-Three semiconductor sales companies (Shanghai, Hong Kong, Singapore)

2024

Capital alliance example

PCI Holdings

Embedded/information software development and semiconductor development support company

2018・2021

■ from April 2024

Restar

Accelerate to “The Electronics Value Platformer”

Reorganize the group’s businesses to become “One Restar” and improve efficiency and governance

Realizing sustainable development of the world and society through information and technology

UKC

System equipment

EMS

Liquid crystal display

Electronic equipment

Vitec

Environmental energy

Plant factory

Procurement, Electronic equipment

Foreign semiconductors

Sony specialty distributor

1. Company Profile (Management philosophy)

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

Values

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.

2. ① Basic policies of the Medium-term management plan

Aim to be

“The Electronics Value Platformer” with a scale of 1 trillion yen that accommodates all manner of stakeholder needs

1

Growth of
existing businesses

Strengthening the value
chain and profitability
through partnerships

- Expand capabilities and increase profitability by strengthening partnerships with manufacturers/peer companies
- Account planning & efficient sales expansion

2

Expansion of
business areas

Commercialization of
“Engineering” and
“IT & Sler”

- Create synergies with existing businesses and expand added value by acquiring hardware and software technology and development capabilities

3

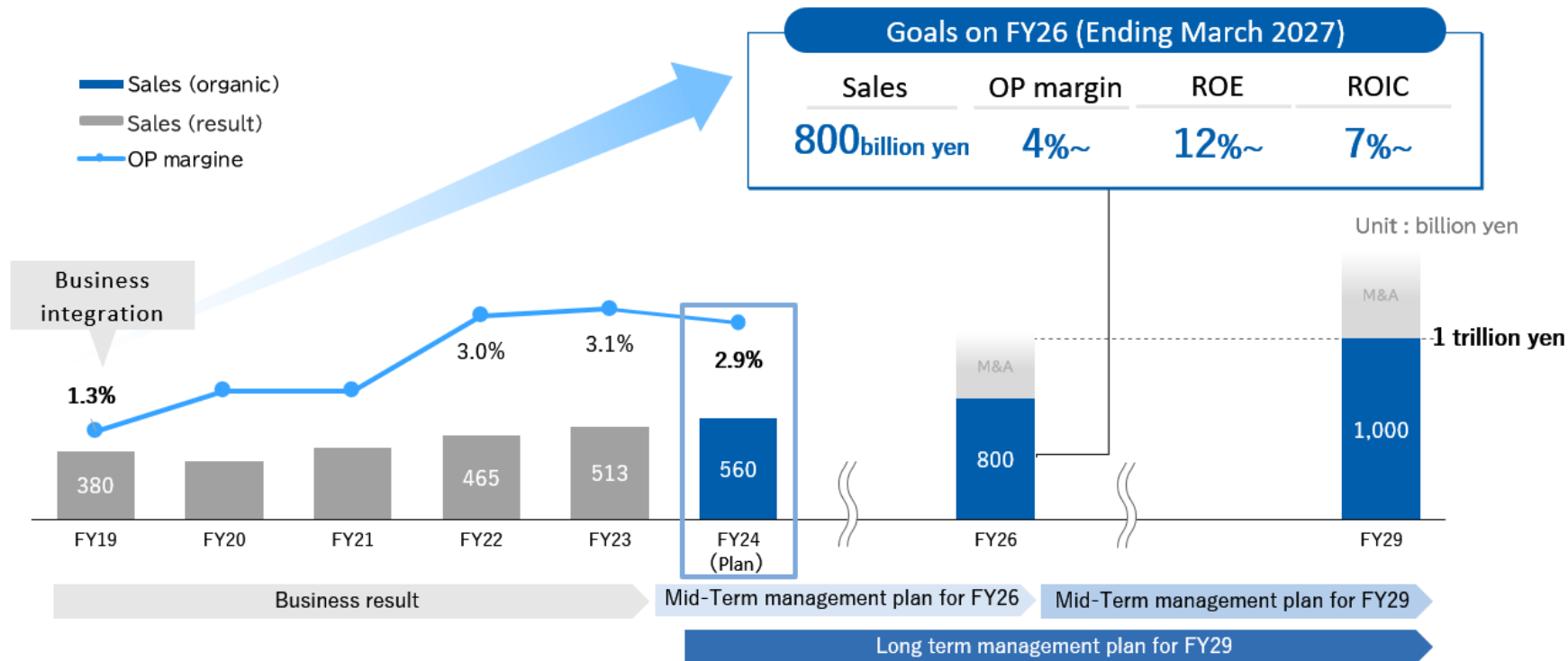
Pursuit of
business synergies

Building a platform to connect
all kinds of commercial
products, information, and
technology

- Internal and external information platform through driving IT/DX
- Maximize opportunities by centralizing information
- Creation and efficient execution of strategies to maximize client value

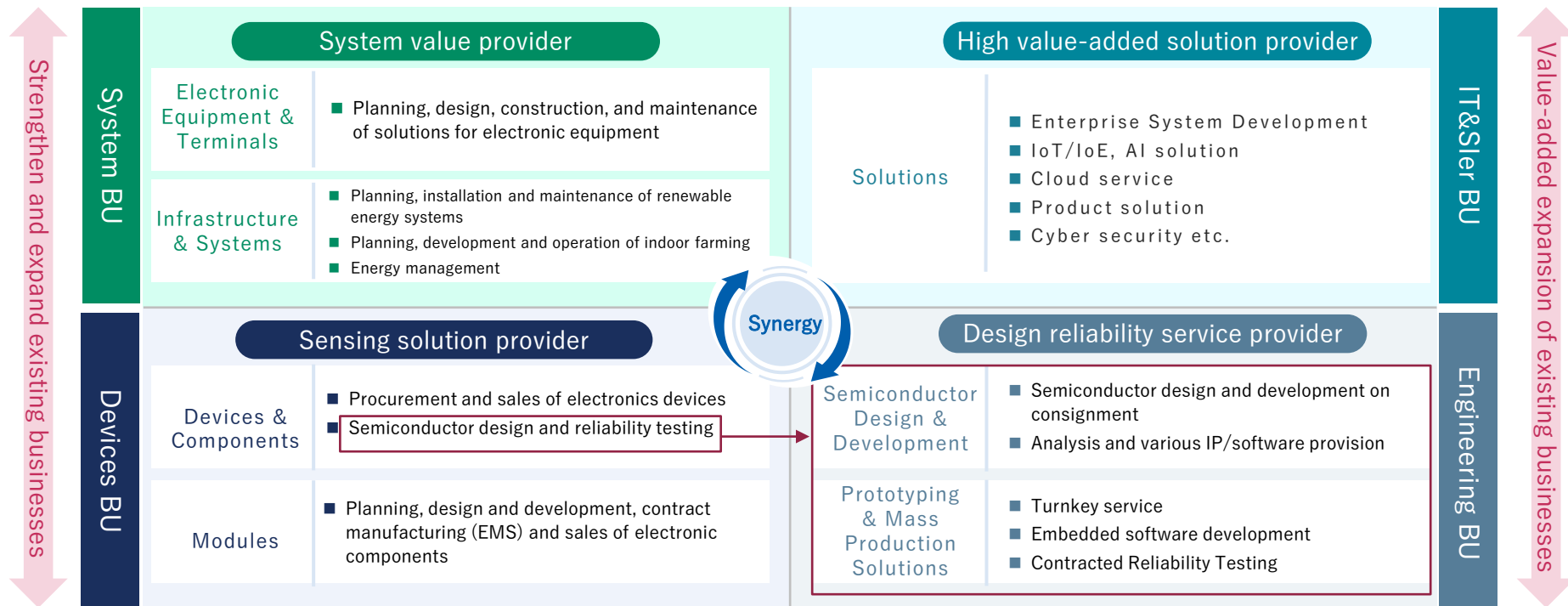
2. ② Medium-term management plan goals

- In the mid-term management plan through March 2027, expand business by adding new businesses in addition to organic growth of existing businesses while maintaining financial discipline



2. ③ Four aimed business in the Medium-term management plan

- Transform into a platformer that solves all issues for customers and suppliers by converting information into value.
- Transformed from a semiconductor trading company to a provider of services combining hardware and software



Development of information platform through DX promotion

Business Infrastructure Systems

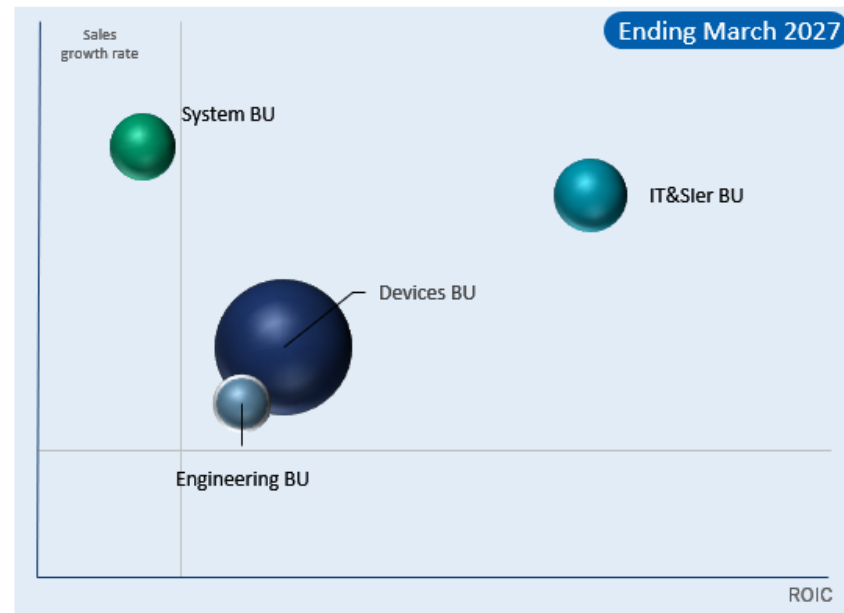
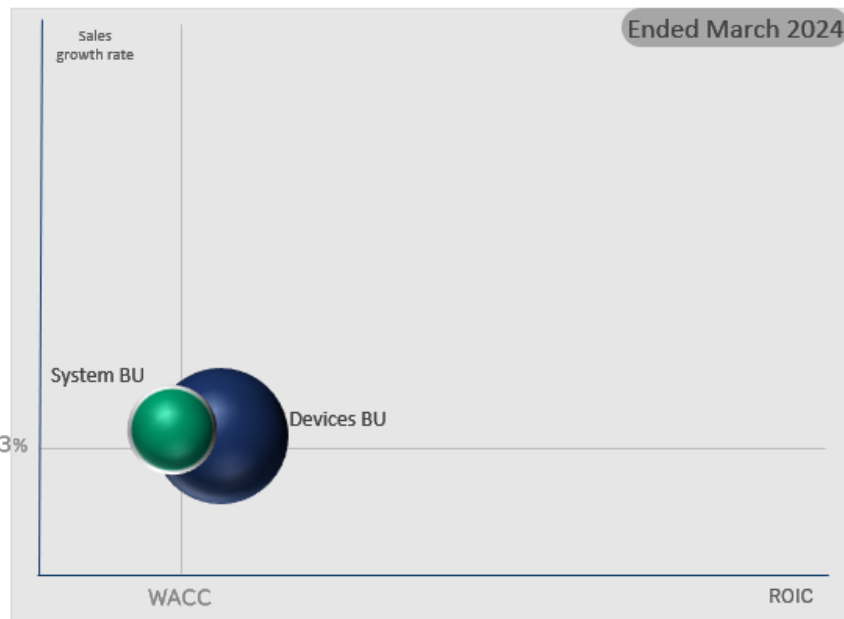
Data Integration Platform

Analysis Platform

Sales Force Automation

2. ③ Four aimed business in the Medium-term management plan

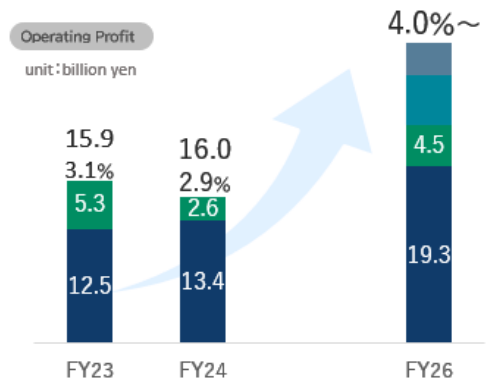
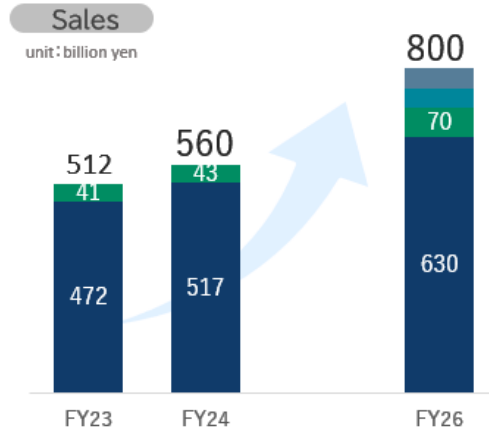
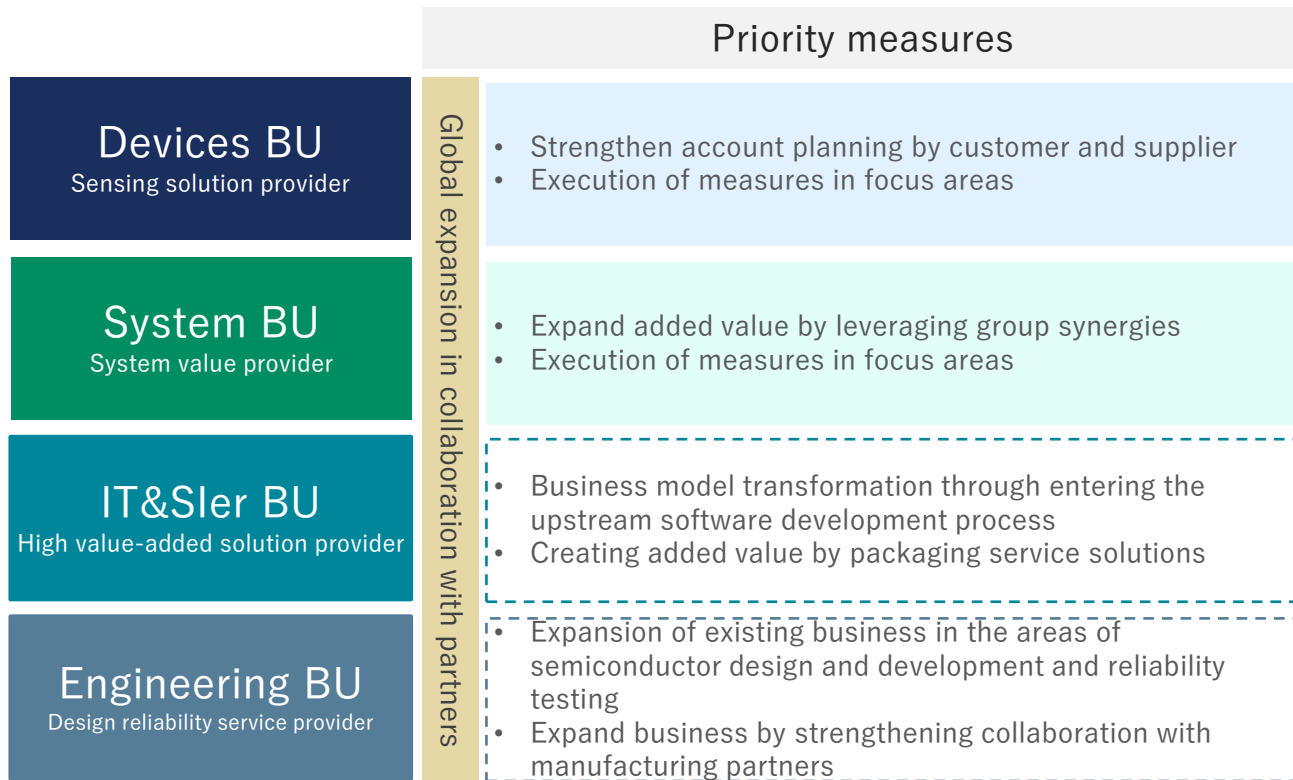
- Business portfolio management that emphasizes growth and capital efficiency in accordance with business characteristics
- Expand existing businesses, improve profitability, and expand focus on "IT&Sler" and "Engineering", which are new businesses



- (Remarks)
1. The size of the circles in the graph indicates the amount of operating income
 2. WACC is the level we consider appropriate

2. ④ Priority measures for four businesses

- Expand scale and improve profitability by implementing priority measures in four businesses



2. ④ Priority measures for four businesses (Growth strategy of Devices BU)

- Expand business and improve profitability by implementing measures for customer strategies and focus areas

1. Strengthen account planning by customer and supplier

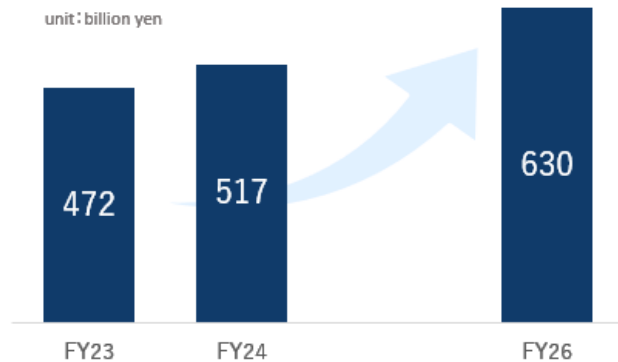
- Strengthen and expand the business base by strengthening the supply chain with our strong assets such as customer base, commercial products, and sales network
- Creating added value and expanding business areas through strategic partnerships

2. Execution of measures in focus areas

- Industrial equipment area
 - Focus on the machine vision area (inspection process•quality control and other value added)
 - Improve profitability by strengthening FAEs for strategic products (sensor•FPGA•tool for ARM•EPS•MMS etc.)
- In-vehicle equipment area
 - Cross-selling of strategic commercial products in driving safety support, with the sensor area at the core
 - Obtaining orders at the design stage and upstream processes by taking advantage of our extensive line card and FAEs
- Global expansion
 - Sales expansion in the USA, Europe, Vietnam and India

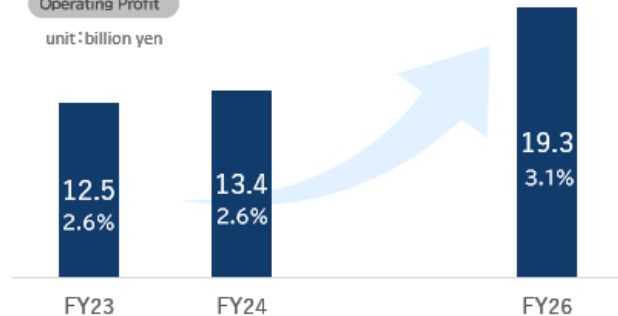
Sales

unit : billion yen



Operating Profit

unit : billion yen



2. ④ Priority measures for four businesses (Growth strategy of System BU)

- Expand business by leveraging GX and DX, as well as group synergies and partner collaboration

1. Expand added value through group synergies

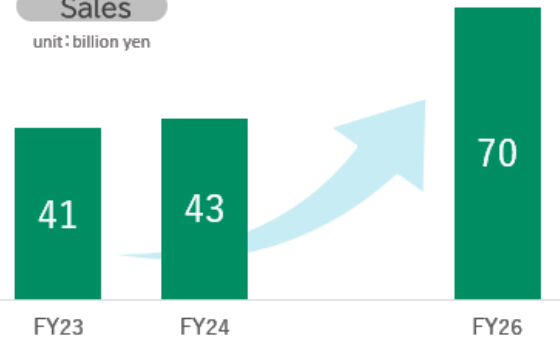
- Expand and strengthen business by leveraging the Group's customer base
- Establish a cross-functional maintenance and support system for the Group's various service systems
- Strengthen external sales of maintenance business and expand the scope of services
- Further development of the model of local energy production for local consumption

2. Execution of measures in focus areas

- Business for corporation
 - Expansion of office-related business
 - Expanding business for the retail industry
 - Building a stock-type business and providing related value-added services such as system operation and content
- Business for the Public(local government•education•medical•self-defense)
 - Development and provision of DX models that contribute to manpower savings
 - Promote regional GX by developing and providing renewable energy systems
 - Deepening and developing local businesses through collaboration with partners

Sales

unit: billion yen



Operating Profit

unit: billion yen



2. ④ Priority measures for four businesses (M&A and Alliance strategy)

- Execute continuous M&A and alliance strategies that contribute to business expansion in growth markets, especially semiconductors, with the aim of achieving sustainable growth

1. Global expansion

Aim

Expansion of customers in the Asian region from a Japanese-centric customer base



2. Expansion of business base

Expand line cards to leverage strengths and strengthen business functions



3. Strategic partnership

Business reinforcement and obtaining new business opportunities

Achievements and aims



- Strengthening JVs with mega-distributor (Japan, Hong Kong, Germany)
- Expanding sales of strategic products to foreign companies and domestic sales of excellent overseas

Corporate site: [Link](#)

Dexerials

- Collaboration to strengthen sales network in Asia
- Collaboration in opto-semiconductor related fields in Japan and overseas

Corporate site: [Link](#)



- Capital and business alliance with SBI Group, which is pursuing a large-scale project with Taiwan's PSMC to reinstate semiconductor manufacturing in Japan
- Business collaboration for regional development

Corporate site: [Link](#)



- Expansion into the industrial equipment field using FPGAs
- Expansion of customer base

Corporate site: [Link](#)

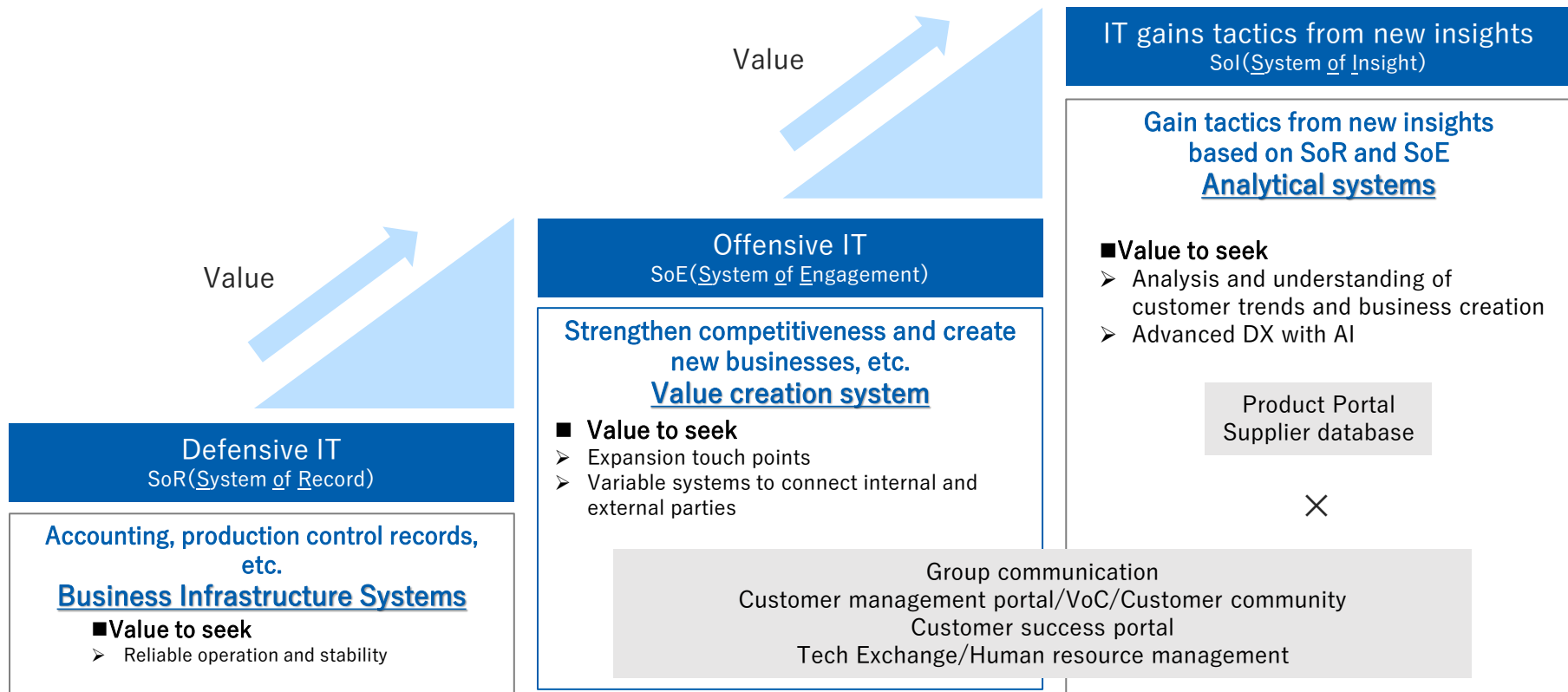
RESTAR EMBEDDED SOLUTIONS
(former TSUZUKI EMBEDDED SOLUTIONS)

- Expansion of power supply products and handling of ARM development tools
- Expansion of customer base

Corporate site: [Link](#)

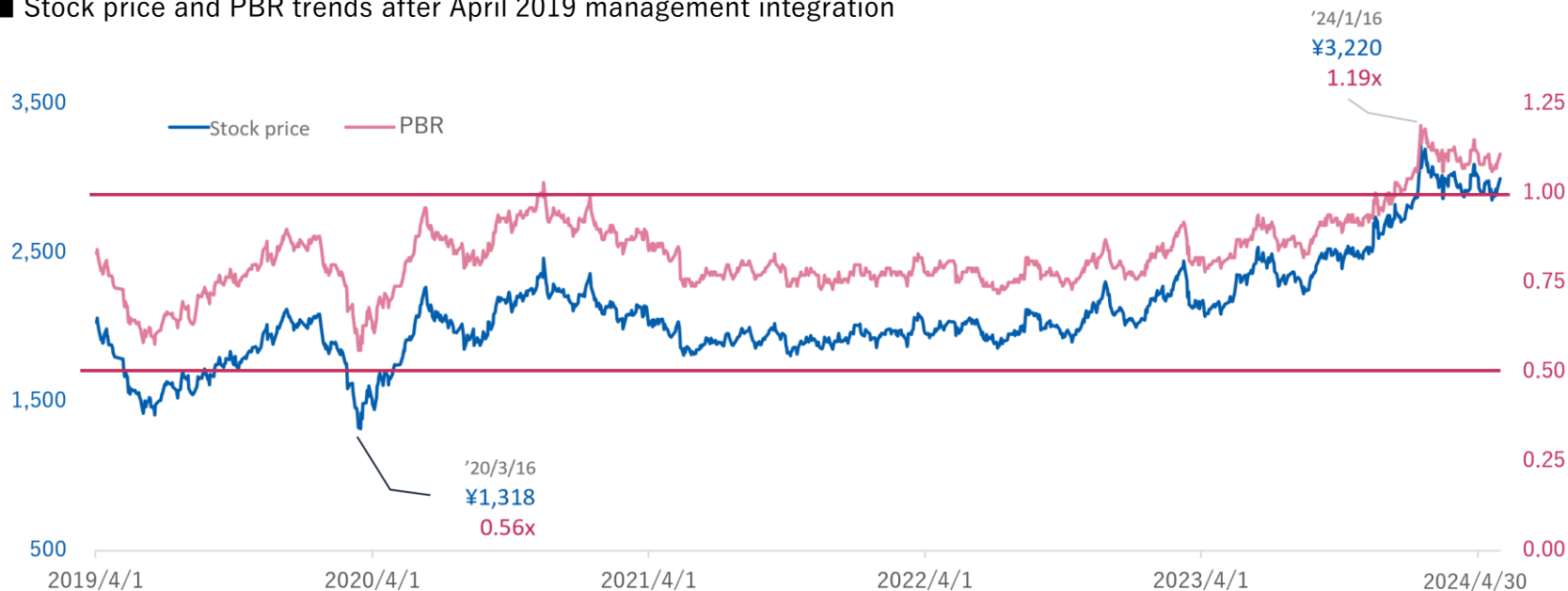
2. ⑤ Information platform infrastructure

- In addition to “Defensive IT,” which requires reliable operation and stability, strengthening “Offensive IT” to accumulate customer information from touch points by leveraging the scale of the company
- Build a high-level business analysis system by combining product information handled by the Group with the technologies and services of partners and suppliers



3. Actions toward achieving management conscious of cost of capital and stock prices (status quo analysis 1)

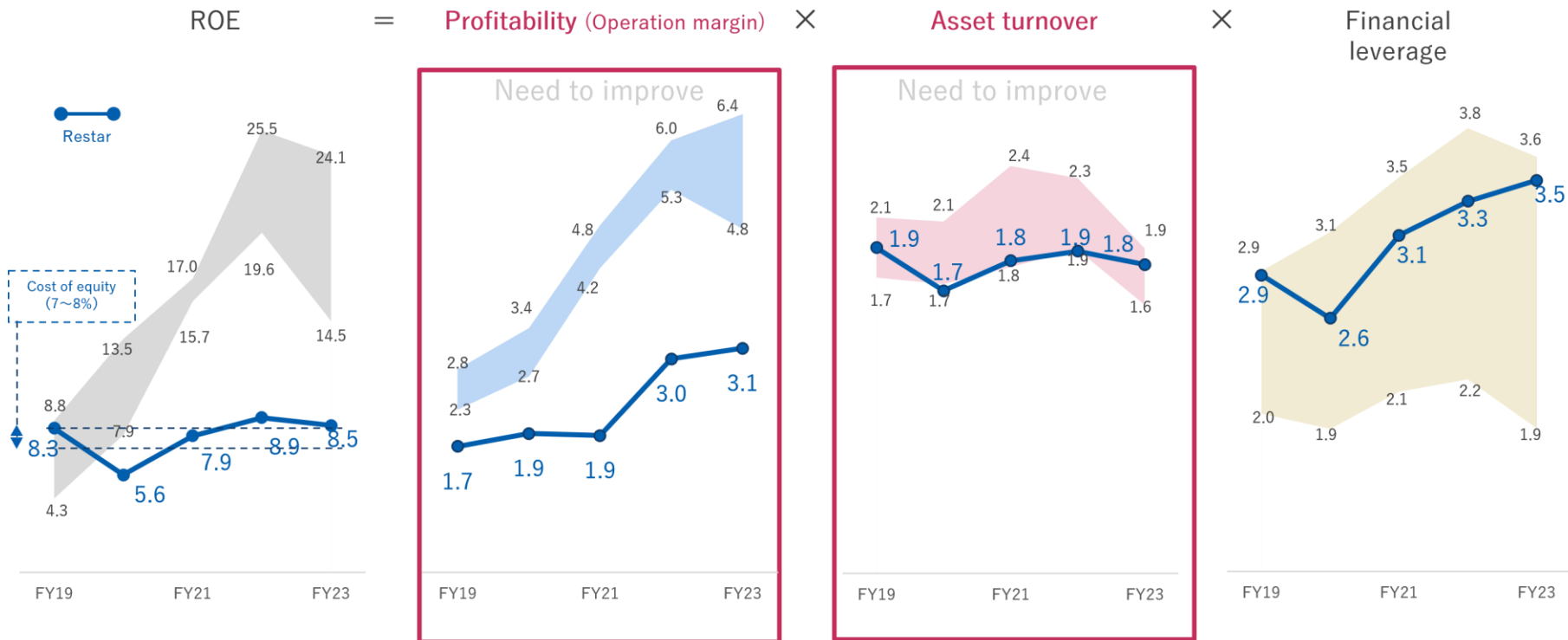
■ Stock price and PBR trends after April 2019 management integration



PBR recently exceeded 1x but overall remained between 0.5x and 1x.

3. Actions toward achieving management conscious of cost of capital and stock prices (status quo analysis 2)

- ROE and DuPont analysis *Competitor comparison (colored areas are maximum to minimum values of the three companies) shows that profitability must be improved, and asset turnover must also be improved from current levels



*Competitor comparison : Top 3 companies with larger market capitalization than our company

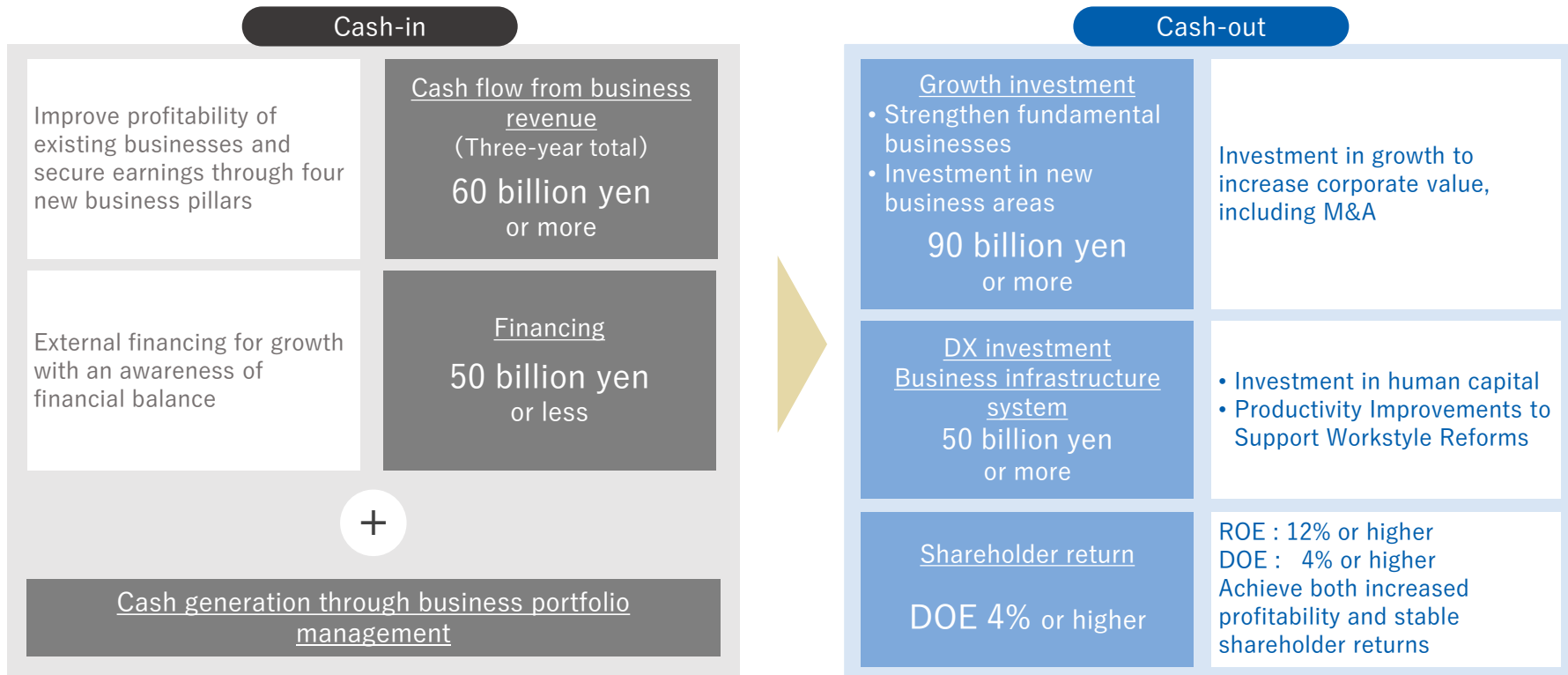
3. Actions toward achieving management conscious of cost of capital and stock prices (Target)

- Targeting ROE of 12% or higher in the fiscal year ending March 31, 2027, by improving profitability and capital efficiency



4. ① Cash allocation (through ending March 31, 2027)

- Generate cash flow through sustainable growth, and new investment to the businesses expansion including M&A strategies, while maintaining financial balance as well as attractive shareholder returns



4. ② Shareholder return policy

■ Basic policy for the period of the medium-term management plan ending March 31, 2027

- Consideration of balance between stable and enhanced shareholder returns, [proactive investment in growth areas](#), and financial soundness
- [*DOE 4% or higher](#)
- [Stable and continuous dividend increase](#)
- Flexible share buybacks for excess capital

*DOE(Dividend on Equity): = Dividend ÷ Equity = Dividend yield × PBR

Since the dividend is based on equity, it is less sensitive to fluctuations in earnings than the dividend payout ratio, and therefore, is more stable. We are committed to shareholder return, viewing DOE as an important indicator so that our shareholders can hold our shares for a long time with a sense of security.

Dividend forecast for the fiscal year ending March 31, 2025 (for reference)	the 2 nd quarter-end	Year-end	Total
	60 yen	60 yen	120 yen
Previous fiscal year result	55 yen	60 yen	115 yen

5. Human capital management

- Evolution of human capital management to encourage growth of employees who create value



Evolution of human capital strategy

Acquire and develop excellent human resources

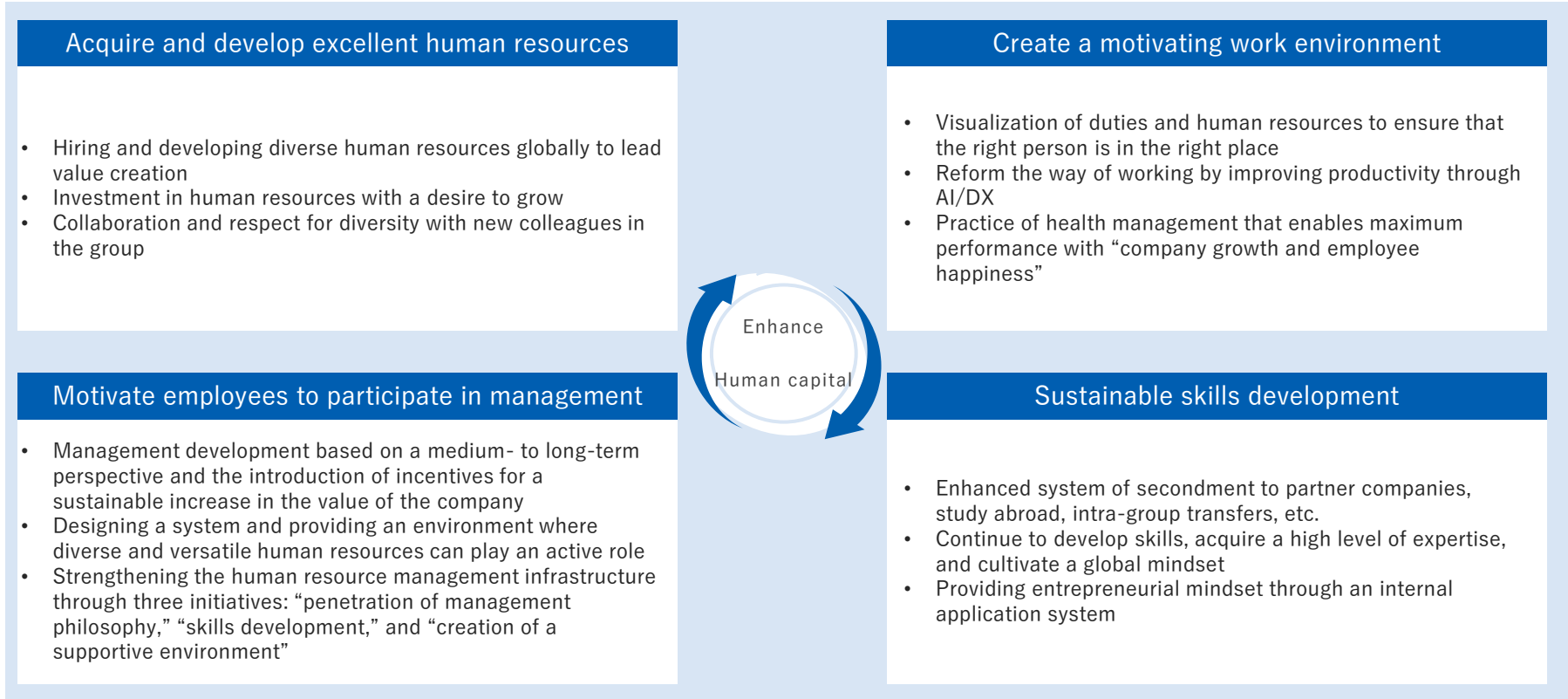
Create a motivating work environment

Motivate employees to participate in management

Sustainable skills development

5. Human capital management

- Accelerate Diversity Equity & Inclusion to create an environment for continued growth as a group, and enhance corporate value through the development and acquisition of attractive human capital



< 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, terrorist activities, disasters and epidemics, etc.

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