

# Restar Corporation

## FY24 3Q (Apr 2024 – Dec 2024) Consolidated Financial Results

Feb 12, 2025

### <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. Please refrain from using this material and data without permission.

### < Contact >

Restar PR ・ IR Department

E-mail : [irpr@restargp.com](mailto:irpr@restargp.com)

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## Business Highlights



Net sales increased due to **the acquisition of a consolidated subsidiary**, **growth in sales of consumer products such as high-function cameras and PC-related products** in the devices business, and **improved performance in the EMS business**. While operating income decreased due to **a delayed recovery in the industrial equipment market** and **the sharp appreciation of the yen in the devices business** and **lower income in the eco-solution business**, despite **an increase in income in the EMS business**, Net income attributable to owners of the parent **increased due to tax effect** from liquidation of a consolidated subsidiary.

(Unit: million)

### Net sales

¥416,820

(+ 11.2% YoY)

- **The addition of consolidated subsidiaries** (Restar WPG Corporation in July 2023 and Restar Embedded Solutions Corporation in January 2024 and Restar Dexerials Hong Kong Limited in July 2024 and PCI Holdings, INC. in September 2024)
- Sales growth of **consumer products such as high-performance camera** and **PC-related applications** in the devices business
- **The EMS business** performance improved following **the installation of our products in new smartphone models**

### Operating profit

¥10,063

((11.1%) YoY)

- **Higher profit** mainly in **the EMS business**
- Lower gross profit caused by **the sharp appreciation of the yen** over the period from August to September, **poorer sales mix due to the slow recovery of the industrial equipment market** in the devices business
- Intensified competition in the market for electricity supply and demand adjustment in the eco-solution business

### Profit Attributable to Owners of Parent

¥5,386

(+ 12.9% YoY)

- Despite recording a loss on liquidation of a subsidiary following the Company's resolution to dissolve the consolidated subsidiary in September 2024, profit attributable to owners of parent increased partly due to **a tax effect related to the liquidation**

# FY24 3Q Consolidated results

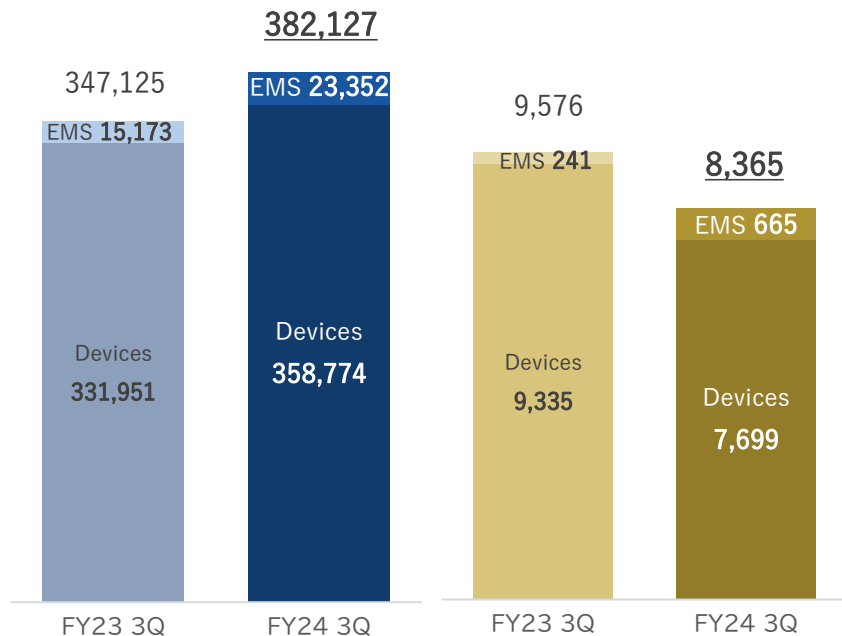


	FY23 3Q		FY24 3Q		YoY	
	Amount	% of Net Sales	Amount	% of Net Sales	Growth	Change
(Unit: million yen)						
Net Sales	374,882	—	416,820	—	41,937	11.2%
Gross Profit	33,462	8.9%	34,484	8.3%	1,021	3.1%
SG &A	22,145	5.9%	24,421	5.9%	2,275	10.3%
Operating Profit	11,316	3.0%	10,063	2.4%	(1,253)	(11.1%)
Ordinary Profit	6,220	1.7%	6,662	1.6%	441	7.1%
Profit Attributable to Owners of Parent	4,773	1.3%	5,386	1.3%	613	12.9%

## Net Sales

(Unit: million yen)

## Segment Profit



## EMS

Sales increased due to the effects of our products being installed in new smartphone models and continued strong sales of applications for tablets and other consumer products.

## Devices

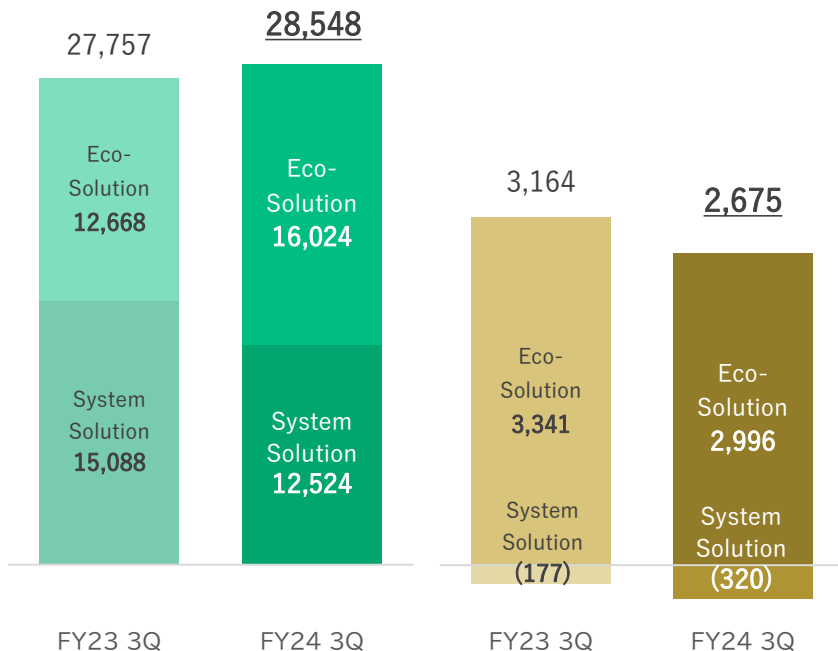
Sales increased due to the addition of consolidated subsidiaries (Restar WPG Corporation in July 2023, Restar Embedded Solutions Corporation in January 2024 and Restar Dexerials Hong Kong Limited in July 2024) and sales growth of consumer products such as high-performance camera and PC-related applications.

## Segment Profit

Although the EMS business saw an increase in profit, segment profit declined due to lower gross profit caused by the sharp appreciation of the yen over the period from August to September, the poorer sales mix due to the slow recovery of the industrial equipment market, and other factors in the devices business.

## Net Sales

(Unit: million yen)



## Eco-solution

Sales increased owing to an expansion of power sales destinations in the power producer and supplier business, an expansion of solar power generation in Japan and overseas, and an increase in the number of new contracts in the power purchase agreement (PPA) business.

## System Solution

While business for corporate customers grew backed by office relocation needs and other factors, sales of system equipment for broadcasting and payment terminals remained slow. Additionally, the overall decline in revenue was influenced by the transfer of the image sensing business area to the devices business as part of efforts to strengthen the sensor-related business.

## Segment Profit

Segment profit declined mainly due to lower profit in the system solution business and intensified competition in the market for electricity supply and demand adjustment in the eco-solution business.

- On September 27, 2024, the PCI Group became a consolidated subsidiary of Restar Group, which is the foundation of the new BU “IT & Sler Business Unit” of the four Business Unit structure, a pillar of the medium-term management plan.
- Further deepening and expanding the market by strengthening technical resources and accelerating the development of upstream processes such as planning and proposals, based on the PCI Group's strengths in software development, solution development and maintenance and other information service businesses.

### Net Sales

**¥6,144** million

### Segment Profit

**¥227** million

### IT&Sler

Since September 27, 2024, when the PCI Group became a consolidated subsidiary, an inventory of technologies for the purpose of service commercialization has been carried out, services and products that can be utilized within both groups have been selected, and sales activities have been promoted by utilizing the respective customer bases.



# Consolidated Balance Sheet



Assets: Increases in accounts receivable – trade, deferred tax assets, electronically recorded monetary claims – operating and goodwill, decreases in merchandise and finished goods and other current assets

Liabilities: Decrease in short-term borrowings, an increase in long-term borrowings and Notes and accounts payable – trade

(Unit: million yen)	As of March 31, 2024	As of December 30, 2024	Growth
<b>Assets</b>			
Current Assets	234,350	233,258	(1,092)
Non-current Assets	57,353	67,268	9,914
<b>Total Assets</b>	<b>291,704</b>	<b>300,526</b>	<b>8,822</b>
<b>Liabilities and Net Assets</b>			
Current Liabilities	180,132	159,862	(20,270)
Non-current Liabilities	20,547	41,896	21,349
Net Assets	91,024	98,768	7,743
<b>Total Liabilities and Net Assets</b>	<b>291,704</b>	<b>300,526</b>	<b>8,822</b>
Capital Adequacy Ratio*1	28.9%	28.8% (30.5%)	—
Net Debt to Equity Ratio*2	0.8x	0.7x	—

\*1 Figures in brackets () are rating figures taking into account hybrid loans (subordinated loans)

\*2 Net Debt to Equity Ratio= (interest-bearing debt excluding lease obligations - cash and deposits) / equity

→ Maintaining a stable level below 1.2 times

(Calculated taking into account 50% equity on the rating for the ¥10 billion of hybrid loans (subordinated loans) raised in August 2024)

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**2 FY24 Consolidated Financial Forecast and Dividend Outlook**

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	FY23 full-year	FY24 full-year forecast	FY24 3Q	Progress rate
(Unit: million yen)	Amount	Amount	Amount	
Net Sales	512,484	560,000	416,820	74.4%
Operating Profit	15,930	16,000	10,063	62.8%
Ordinary Profit	9,690	10,500	6,662	63.4%
Profit Attributable to Owners of Parent	7,004	8,000	5,386	67.3%

■ There is no change to the full-year earnings forecast announced on May 13, 2024.

# Progress of Business Performance by Business Unit



		FY24 full-year forecast	FY24 3Q	Progress rate
(Unit: million yen)		Amount	Amount	
Net Sales	Devices Business Unit	505,900	382,127	75.5%
	Devices	477,900	358,774	75.0%
	EMS	28,000	23,352	83.4%
	System Business Unit	41,400	28,548	68.9%
	System Solution	22,500	12,524	55.6%
	Eco-solution	18,900	16,024	84.7%
	IT&Sler Business Unit	12,700	6,144	48.3%
	Consolidated	560,000	416,820	74.4%
Operating Profit	Devices Business Unit	12,000	8,365	69.7%
	Devices	11,100	7,699	69.3%
	EMS	900	665	73.9%
	System Business Unit	4,600	2,675	58.1%
	System Solution	700	(320)	—
	Eco-solution	3,900	2,996	76.8%
	IT&Sler Business Unit	500	227	45.4%
	Corporate and Adjustment	(1,100)	(1,205)	—
	Consolidated	16,000	10,063	62.8%

# Shareholder Return Policy and Dividends Forecast



## 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.

## FY24 Dividends Forecast

2nd quarter-end

¥60

Year-end

¥60

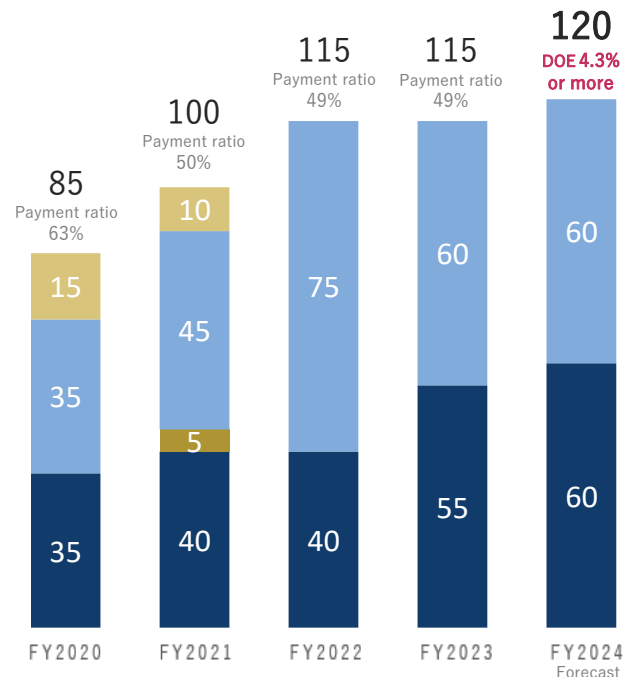
Total

¥120

## Dividends per share

(Unit: yen)

■ 2nd quarter-end ■ Year-end ■ commemorative/special dividend



## Management Philosophy of 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

### 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.

“Solving issues around the world regarding electronics”



**Restar Corporation**