



Results for Fiscal Year Ended March 31, 2024

May 14, 2024

DKK Co., Ltd.

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1. FY3/2024 Consolidated Results

1-1. Result Highlights

- In addition to a decline in sales due to reduced customer capital expenditures, an operating loss was recorded due to soaring prices of energy, components, and labor.
- The recording of extraordinary losses, including losses on non-current assets, resulted in an increase in current net loss.

(Millions of yen)	FY3/23 Full-year results	FY3/24 Full-year results	Increase/ decrease	YoY change
Net sales	31,817	28,864	-2,953	-9.3%
Operating income	-1,510	-1,787	-277	-
Ordinary income	-1,219	-1,537	-318	-
Net income attributable to shareholders of parent company	-1,181	-1,977	-796	-
ROE (%)	-2.7	-5.0	-	-

1-2. Net Sales and Operating Income

- Telecommunication-related sales and profits decreased mainly for the existing core businesses, including Mobile Communications.
- Radio Frequency-related sales increased due to a gradual recovery in demand while its profit decreased due to the soaring costs.

(Millions of yen)	FY3/23 Full-year results	FY3/24 Full-year results	Increase/ decrease	YoY change
Net sales	31,817	28,864	-2,953	-9.3%
Telecommunication	22,578	19,136	-3,442	-15.2%
Radio Frequency	9,131	9,623	492	5.4%
Operating income	-1,510	-1,787	-277	-
Operating margin ratio	-4.7%	-6.2%	-	-
Telecommunication	50	-56	-106	-
Radio Frequency	1,132	1,023	-109	-9.6%

*The operating incomes for Telecommunication and Radio Frequency are provided by segment.

1-3. Results by Segment - Telecommunication -

Net sales by segment

FY3/23 results

FY3/24 results

**Mobile
Communications**

7,880 > **5,688**

(-27.8%)

Overall, the capital expenditures by mobile communication business operators remained low. Orders for maintenance and facility construction work as well as antennas remained low.

**Fixed Wireless
(Excluding Defense)**

5,210 > **2,814**

(-46.0%)

Although the demand related to administrative radio systems for disaster prevention use is gradually recovering, price competition accelerated because vendors were selected through bidding processes.

Defense

1,081 > **1,692**

(+56.5%)

The market is growing due to a gradual increase in defense budget for the period starting in FY3/24.

Broadcasting

3,843 > **3,111**

(-19.0%)

The demand from broadcasters for service and maintenance is gradually improving, but updating of broadcasting digital equipment was postponed.

Solutions

188 > **351**

(+86.7%)

Synergies generated with Cybercore Co., Ltd. and proactive sales activities helped us expand the business domain.

Others

4,374 > **5,478**

(+25.2%)

The demand from subsidiaries for surface treatment for steel structures increased, and we captured the demand for environmentally friendly products, such as LED aviation obstacle lights.

Unit: Millions of yen

*Figures in parentheses indicate the percentage of year-on-year increase/decrease.

1-3. Results by Segment - Radio Frequency -

Net sales by segment

FY3/23 results

FY3/24 results

**Induction Heating
Equipment**

6,675 > **6,872** (+3.0%)

The impact of the global semiconductor shortages and prolonged delivery time for parts in the auto-related industry was resolved, resulting in a gradual recovery of demand for capital expenditures.

**Contract Heat
Treating Service**

2,379 > **2,738** (+15.1%)

The demand is likely to recover as automobile manufactures have resolved production adjustments.

**New Radio
Frequency Areas**

76 > **12** (-84.2%)

Promote advancement of technologies and verification of peripheral technologies to generate demand related to disposal of food and waste using superheated steam equipment.

Unit: Millions of yen

*Figures in parentheses indicate the percentage of year-on-year increase/decrease.

2. FY3/2025 Forecasts for Consolidated Results

2-1. Net Sales and Operating Income Forecasts

- Capture demand for administrative radio systems for disaster prevention use, which is expected to grow this fiscal term, in addition to the focused segments.
- Execute business structural reforms to improve the profitability and become profitable.

(Millions of yen)	FY3/24 Full-year results	FY3/25 Full-year forecasts	Increase/ decrease	YoY change
Net sales	28,864	33,000	4,136	14.3%
Telecommunication	19,136	22,100	2,964	15.5%
Radio Frequency	9,623	10,800	1,177	12.2%
Operating income	-1,787	500	2,287	-
Operating margin ratio	-6.2%	1.5%	-	-
Telecommunication	-56	649	705	-
Radio Frequency	1,023	1,400	377	36.9%

*The operating incomes for Telecommunication and Radio Frequency are provided by segment.

2-2. Order status

- In FY3/24, the order backlog for Telecommunication increased mainly because we received multiple orders related to defense.
- The order backlog for Radio Frequency also increased, as the demand for Induction Heating Equipment recovered towards the end of the fiscal term.

	FY3/23		FY3/24			
	Order backlog	Orders received	Net sales	Order backlog	Increase/ decrease	YoY change
(Millions of yen)	(1)	(2)	(3)	(4) = (1) + (2) - (3)	(4) - (1)	(4) / (1) - 1
Tele-communication	8,530	22,070	19,136	11,464	2,934	34.4%
Radio Frequency	3,513	9,997	9,623	3,887	374	10.6%
Total	12,044	32,067	28,864	15,352	3,308	27.5%

*The total net sales for FY3/24 include the net sales of 104 million yen for the "Others" segment.

2-3. Forecasts by segment - Telecommunication-

Net sales by segment

FY3/24 results

FY3/25 forecasts

Mobile Communications	5,688	➤➤	6,600	(+16.0%)	Although the demand for capital expenditures to improve the quality of communications shows a sign of partial recovery, a rapid overall recovery is unlikely.
Fixed Wireless (Excluding Defense)	2,814	➤➤	4,200	(+49.3%)	Administrative radio systems for disaster prevention use are expected to be developed and implemented to take advantage of the grants provided under the government's disaster prevention and mitigation program, which will expire in FY3/26.
Defense	1,692	➤➤	3,000	(+77.3%)	As the defense budget continues to increase, we will actively capture demand for maintenance and inspection of various types of equipment and existing facilities.
Broadcasting	3,111	➤➤	3,300	(+6.1%)	Although a certain amount of demand for update of broadcasting equipment will arise, the market itself is gradually shrinking. Demand will arise in connection with switching from AM broadcasting to FM broadcasting.
Solutions	351	➤➤	800	(+127.9%)	Aim to achieve synergies of AI-based imaging and communication technologies to gain more orders mainly for solutions for people flow analysis and behavior analysis.
Others	5,478	➤➤	4,200	(-23.3%)	Aim to enhance environmentally friendly products, such as fuel cells for back-up power supply, in addition to demand for surface treatment for steel structures.

Unit: Millions of yen

*Figures in parentheses indicate the percentage of year-on-year increase/decrease.

2-3. Forecasts by segment - Radio Frequency -

Net sales by segment

FY3/24 results

FY3/25 forecasts

**Induction Heating
Equipment**

6,872 >>> **7,800**

(+13.5%)

Capture the recovering demand for capital expenditures in the automobile industry, and work to increase the demand for EV parts in addition to existing parts.

**Contract Heat
Treating Service**

2,738 >>> **2,800**

(+2.3%)

Capture demand arising in connection with the recovering auto production output, and increase demand by leveraging the newly launched heat treating and prototyping base.

**New Radio
Frequency Areas**

12 >>> **200**

(+1566.7%)

Accelerate participation in various exhibitions and promotion to progressively, and steadily develop new applications and customers for the superheated steam equipment.

Unit: Millions of yen

*Figures in parentheses indicate the percentage of year-on-year increase/decrease.

2-4. Policy on shareholder returns

Policy on shareholder returns

- Deliver shareholder returns of over 10 billion yen in total from FY3/23 through FY3/27.
- Set a minimum DOE of approximately 1.5%, in addition to the payout ratio of 40%.
- Purchased treasury stock to improve the capital efficiency and enhance the shareholder returns, in addition to delivering dividends.
- Canceled all treasury shares bought back except for about 10% of the total outstanding shares.

Dividend per share

(yen)	FY3/23	FY3/24 (plan)	FY3/25 (forecast)
Annual total	60	60	60
Mid-term	30	30	30
End of term	30	30	30

Purchase of treasury stock

- In April 2024, we started purchasing treasury stock with a maximum limit of 0.48 million shares or 1 billion yen in total.

3. Revision of the Medium-Term Business Plan

Rolling Plans, “DKK-Plan 2025”

3-1. Overview of rolling plans



- It came to our attention that we do not have a system or basic structure that enables us to adequately respond to changes in external environment, such as soaring prices of raw materials and reduced customer capital expenditures.
- Revised the Medium-Term Business Plan and executed business structural reforms to establish a system to generate profit.

Policies for rolling plans

Period: FY3/25–FY3/27 (Allow two more years than originally planned to achieve the numerical targets under the Medium-Term Business Plan.)

Establishing a profitable structure through business structural reforms

1

Structural reforms for improving profit

- Select and strengthen focused segments in anticipation of market conditions.
- Rationalize the organization and concentrate resources.
- Streamline operations and reform the work style.

2

Medium to long term growth strategy

- Evolve core technologies, and selection and consolidation of R&D with an medium to long-term outlook.
- Execute human capital strategies in anticipation of executing business strategies.

3

Appropriate capital composition

- Promote asset-light business management.
- Promote conducting management and business practices conscious of capital costs.
- Build a foundation to ensure stably delivering shareholder returns.

*For details, please see the press release published on March 22, 2024, “Medium-Term Business Plan DKK-Plan 2025 Rolling Plan.”
URL: <https://denkikogyo.co.jp/en/ir/management/dkk-plan/>

3-2. Numerical targets for rolling plans

- Aim to achieve the target ROE for the DKK-Plan 2025 by FY3/27, postponing two years than originally planned.
- Emphasize profits and ROC, and set new quantitative sales profit targets.
- Rapidly respond to changes in external environment, stay selection and consolidation, and reform the cost structure to improve the performance and achieve numerical targets as soon as possible.

Numerical targets for the final fiscal year for the rolling plans

	FY3/25 Initial plans	FY3/24 Results	FY3/25 Forecasts		Targets for FY3/27
Net sales	43.0 billion yen	28.8 billion yen	33.0 billion yen		40.0 billion yen
Operating income	-	-1.7 billion yen	0.5 billion yen		1.8 billion yen
Net income	2.0 billion yen	-1.9 billion yen	0.4 billion yen		1.8 billion yen
D/E ratio	0.2–0.3 times	0.15 times	0.16 times		0.2–0.3 times
ROE	5.0%	-5.0%	1.1%	+2 years →	5.0%

4. Topics by Segment

4-1. Segment overview



- Selected the focused segments of Solutions, Defense (Fixed Wireless), and Radio Frequency (Induction Heating, Heat Treating, New Radio Frequency Areas) to concentrate on resources under the rolling plans.
- Continue initiatives to improve the profitability for the rest of the segments.

Segments

Focus

■ Solutions

Focus

■ Defense

Focus

■ Induction Heating
Equipment

Focus

■ Contract Heat
Treating Service

Focus

■ New Radio
Frequency Areas

■ Mobile
Communications

■ Fixed Wireless
(radio systems for disaster prevention
use and others)

■ Broadcasting

■ Others

4-2. Solutions (1)

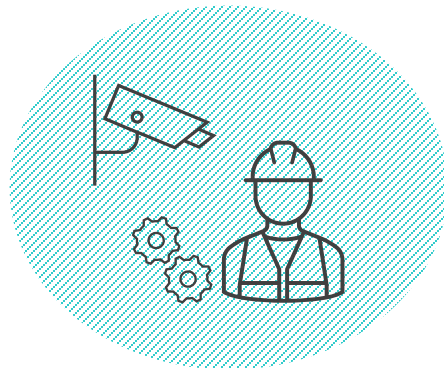


Solutions for behavior analysis

- AI-enabled cameras analyze the behavior of operators to automatically measure the time taken for each process.
- Started to sell the solutions for behavior analysis following demonstration tests by a group company.

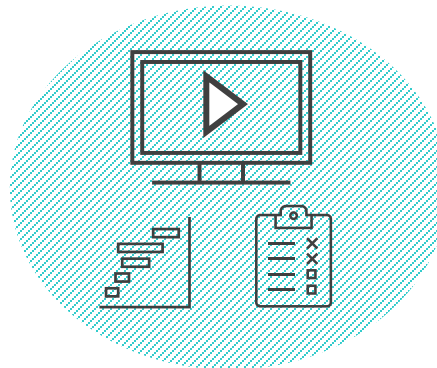
⇒ Usable as a tool for improved productivity or talent development

Capturing images of working operators



- ✓ Thoroughly capturing detailed movements
- ✓ Analyzing in real time
- ✓ Transforming operators' mindset

Analyzing behavior Developing a standard workflow



- ✓ Analyzing behavior by task and element
- ✓ Calculating the difference between the average time taken for each process and the target time

Improving productivity



- ✓ Teaching operators the standard workflow
- ✓ Identifying operators' proficiency levels
- ✓ Creating an instruction video

Our strength

The AI-imaging technology enables highly accurate analysis of images captured from any direction.

4-3. Solutions (2)



AI × Robot

- Collaboration of the image analysis AI technology developed by Cybercore and ugo, a robot for business-purpose DX (digital transformation)
- Performs highly accurate analysis of numerical and textual data from images taken by the robot and conduct various advanced inspection tasks in conjunction with “ugo”.

ugo

The ugo robot moves as its camera captures target images.

Cybercore

Perform highly accurate analysis of numerical and textual data from the images taken by ugo using Cybercore's image analysis AI technology.

ugo

* ugo, Inc.

〈Company overview〉

Address: 1-7-8, Higashi Kanda, Chiyoda-ku, Tokyo
Year of establishment: 2018
Representative: Ken Matsui
URL: <https://ugo.plus>

What they do

- Provision and operations of ugo solutions
- Development, provision, and operations of the RaaS framework

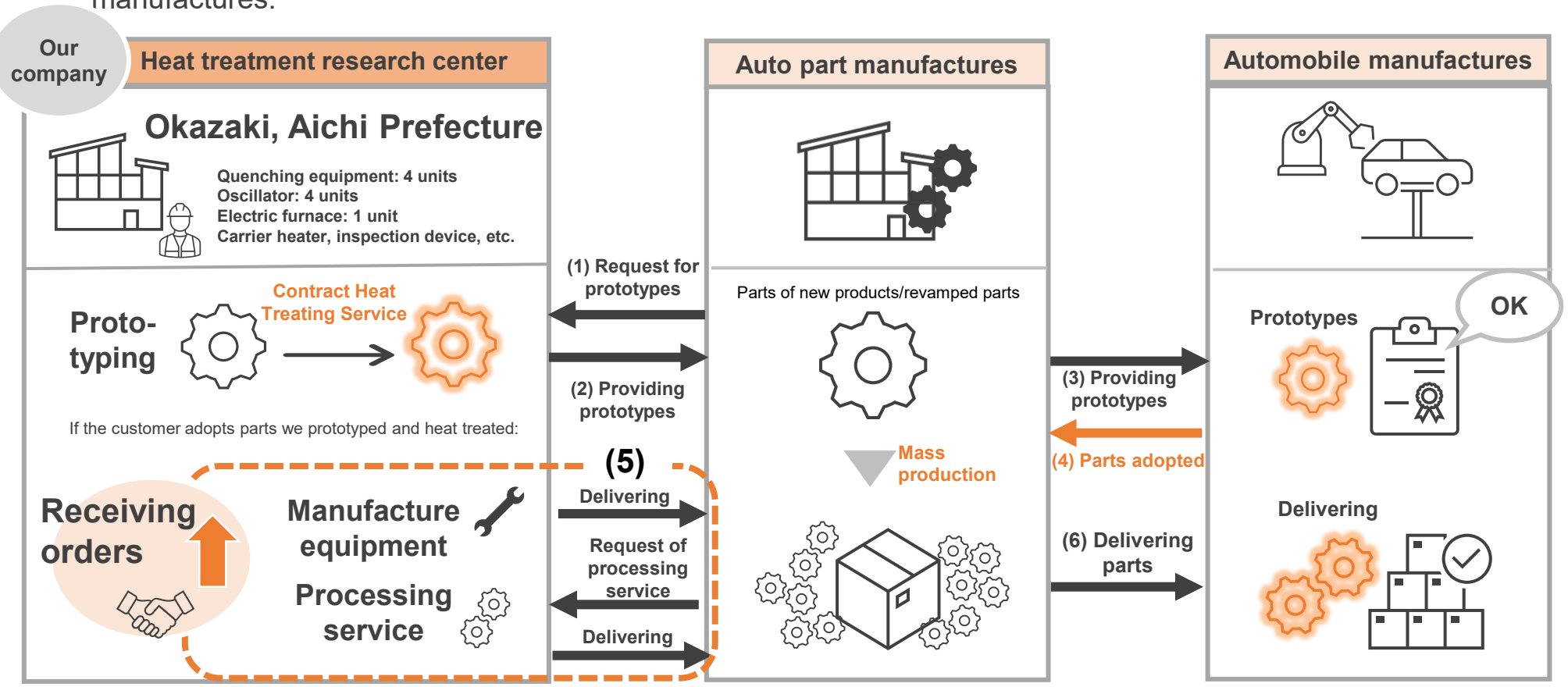
*For details, please see the press release by Cybercore published on May 9, 2024.
URL: https://cybercore.co.jp/news_en/2024/1587/

4-4. Induction Heating, Heat Treating



Tokai Heat Treatment Research Center (Established in late June, 2024)

- Various types of heat treatment tests can be conducted at the center by deploying prototyping and testing machines for heat treatment that meet various needs.
- The center helps us highlight our induction heating technology through prototypes, thereby increasing orders placed for manufacturing equipment and processing services, as a result of adopting prototypes by auto parts manufactures.



*For details, please see the press release published on January 29, 2024, "DKK to launch Tokai Heat Treatment Research Center."
URL: <https://denkikogyo.co.jp/wp-content/uploads/2024/01/240129.pdf>

4-5. New Radio Frequency Areas (1)



Enhancing promotional efforts for D-Rapid™ (ultra-high temperature superheated steam system)

Exhibition

Participated in exhibitions to develop new customers and applications, and present example applications of superheated steam along with our processed goods.

Upcoming exhibits

JAGRI Tokyo

(October 9–11, 2024)

5th Foodtech Week Tokyo

(November 20–22, 2024)



Reduction of disposal cost

Reducing the mass in advance to reduce the disposal cost



10 t

Desiccated

2 t

Green tea leaves

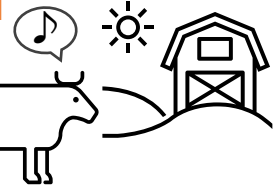
Recycle

Recycle waste into organic matters by adjusting the ratio of moisture to make it ready for recycling.



Desiccated

Recycled into feed



Vegetable residues

Promotional video production

Creating promotional videos featuring our product “D-Rapid™” and an interview with the developer

- Introduction of “D-Rapid™,” superheated steam equipment
<https://www.youtube.com/watch?v=CXY8S5MDbug&t=2s>
- An interview with the developer of the superheated steam equipment “D-Rapid™”
<https://www.youtube.com/watch?v=UOa325YrzVw>

Creating a special page

A special page on the superheated steam equipment will be created on our website in mid June, 2024.

4-6. New Radio Frequency Areas (2)



Launch of a paid prototyping service for D-Rapid™ (ultra-high temperature superheated steam system)

- Our exhibitions resulted in a big reaction, and we see an increase in requests for prototyping from various companies.
- Customers can experience the treatment capacity of the superheated steam system.

Selecting the suitable superheated steam equipment for the customer.
30,000 yen/set (up to 3 standards)



Standard evaluation service

100,000 yen/set (up to 3 standards)

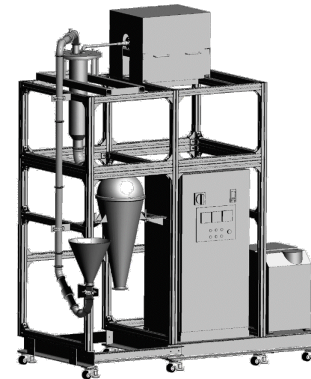


Assess conformity



Desiccation temperature

Testing machine for simple experiments
Rapid SHOWER

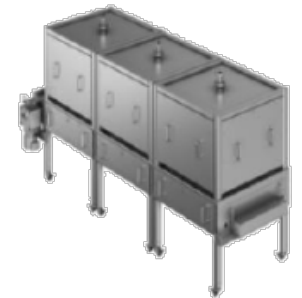


Cyclone type
Rapid SPIRAL



Shape

Conveyor
Rapid TRAIN

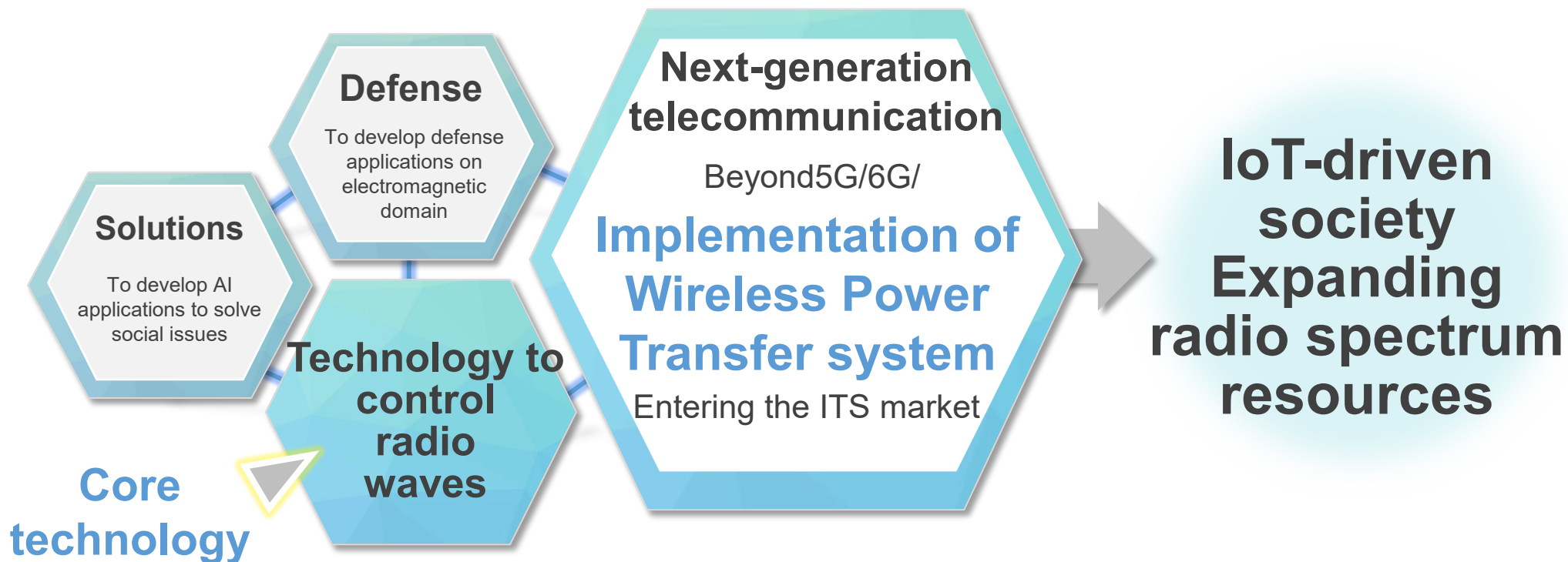


*For details, please see the press release published on April 17, 2024, "DKK launches a new paid-prototyping service for D-Rapid™, an ultra-high temperature superheated steam system."
URL: <https://denkikogyo.co.jp/wp-content/uploads/2024/04/240417.pdf>

5. Company-wide Topics

5-1. R&D (Our initiatives for wireless power transfer)

- Wireless Power Transfer (WPT) technology enables delivering power without a cable. Establishing this technology for charging/supplying power to various devices, such as EVs and drones is one of the targets of our R&D activities.



- ▶ Utilize our core technology, “controlling radio waves” to commercialize the WPT technology.

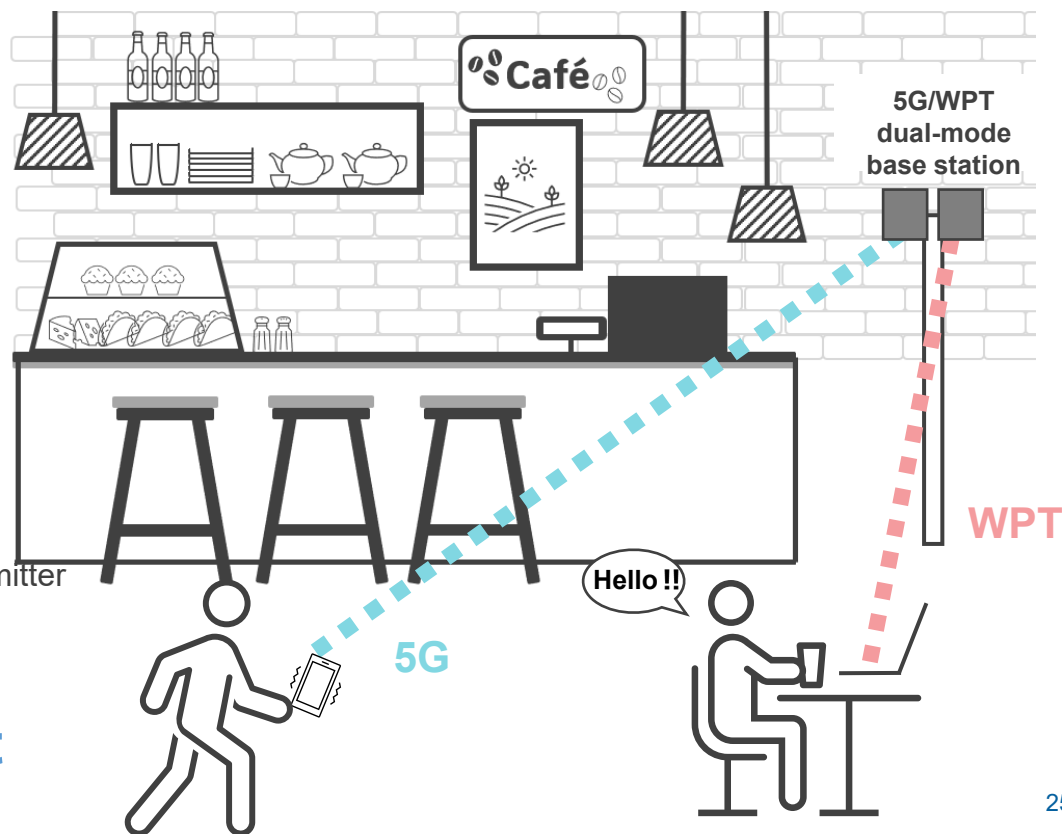
5-1. R&D (Progress on our initiatives for WPT(1))

Our initiatives to achieve a WPT system

- As our wireless communication technology is highly recognized, we lead a national joint R&D project; “R&D for advanced technologies to control/suppress interferences for wireless power transfer”, as a representative research institute

To co-locate WPT transmitter with 5G sub-millimeter wave base station

- Dual-mode base station for 5G (28GHz band) and for WPT(24GHz band)
- Control interferences from WPT radio wave to 5G radio wave, to achieve simultaneous power transmission during the 5G communication.



Combine the base station for the 5G network with WPT transmitter

for a more convenient and comfortable living environment

5-1. R&D (Progress on our initiatives for WPT(2))

Our original initiatives to commercialize the WPT system



Conventional WPT systems
The charger needs to be almost in contact with the target object to supply power.

WPT system for mobile device chargers



100 kHz band

WPT system for EVs

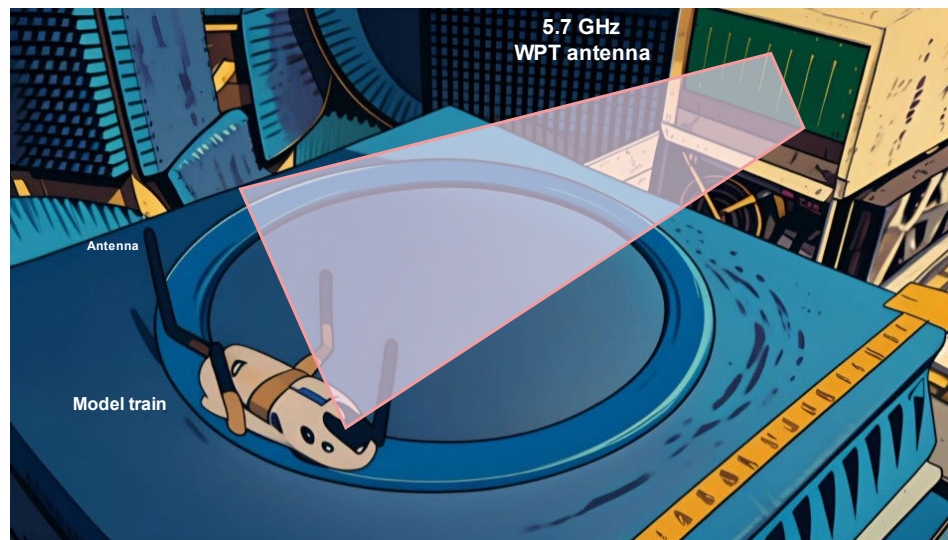


85 kHz band

Achieved power transfer over the air using the 5.7 GHz band

- Conducted a test run of a toy-train supplying power from the WPT transmitter.
- The beamforming* antenna of WPT transmitter tracks the toy-train as it moves.

*Beamforming: A technology used to electrically control the directivity of antennas



Commercialize this technology as early as possible for the sake of society by further utilizing radio spectrum resources for IoT-driven society, and for our new source of revenue.

5-2. Enhancing promotion, communications via note

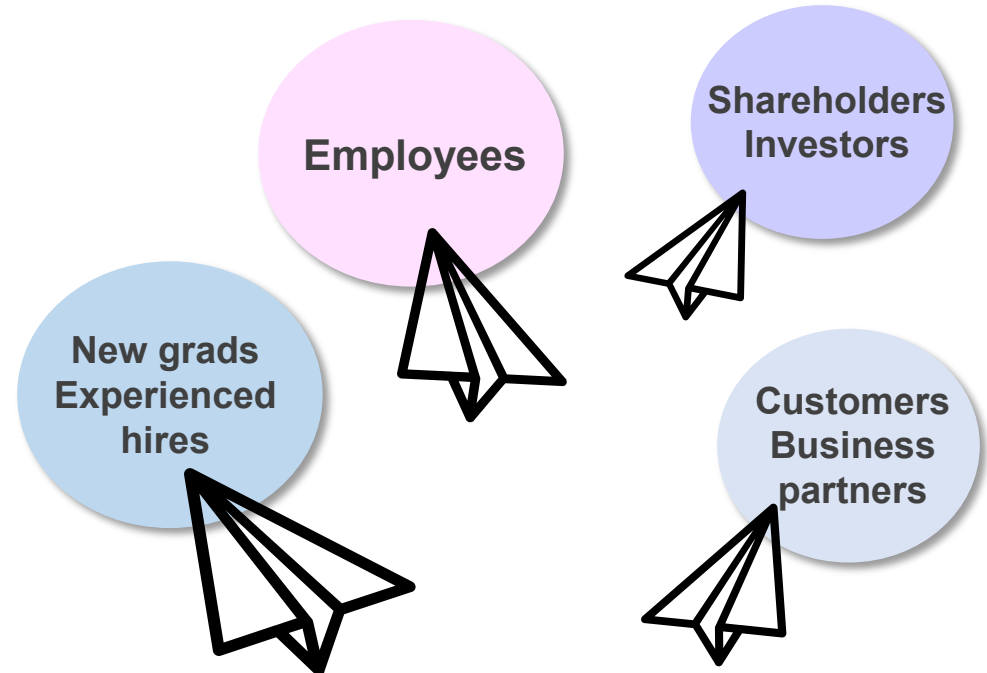
- Started using note as our communication platform on May 9, 2024.
- Regularly deliver contents featuring existing products and services, our new initiatives, and the core supporting technologies.



DKK's official note page <https://note.com/denkikogyo>

The contents are available only in Japanese.

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**Delivering contents
to our stakeholders**

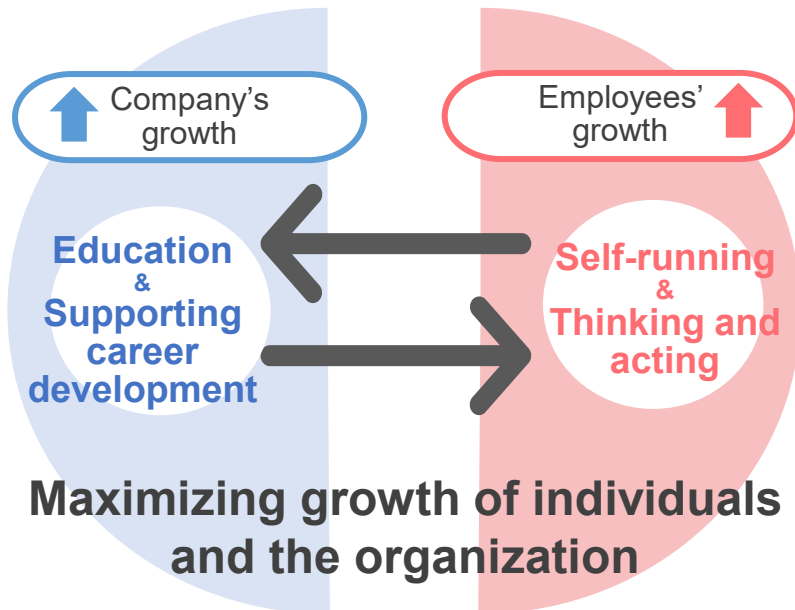
▶ Letting a wide range of stakeholders understand us better.

*For details, please see the press release published on May 9, 2024, "DKK starts official note and X accounts."
URL: https://denkikogyo.co.jp/wp-content/uploads/2024/05/240509_2-1.pdf

5-3. Our concept of Human Capital Management

Human capital strategies

- Started implementing human capital strategies in line with the business structural reforms in FY3/25.
- Actively optimize human capital allocation and career paths in line with the business portfolio.
- Launched an employee assessment system to ensure that individuals' initiatives will help the company to grow in October 2024.



■ Main initiatives and measures

- 1 **Visualizing roles**
- 2 **Improving expertise**
- 3 **Increasing engagement/
promoting DE&I**

5-4. Measures for Human Capital Management (1)

Visualizing roles

(Switch to job-type employment/implement a talent management system)

- Implemented a talent management system to prepare for the launch of the new HR system scheduled for October 2024.
- Aiming to visualize internal human capital

Objective of and vision for the new talent management system

Objective of the new system



Linkage of management and HR strategies

- Define and identify the profiles of required human capital that are suitable for the management and human capital strategies, and develop measures to fill the gap.
- Achieving management strategies and developing human capital through HR programs
- Reforming mindset of the workforce and individuals

Streamlining management practices

- Efficiently managing data on employees' skillsets and qualifications
- Improving the employee assessment system

Aim to ensure smooth transition to and promote the new HR (job-type employment) system.

5-4. Measures for Human Capital Management (2)

Improving expertise

- Promote developing human capital that are skilled for AI and digital transformation (DX), improving expertise and reskilling as key themes of initiatives to improve employees' expertise.
- Implement training curriculum to train more human capital skilled for AI and DX, strengthen existing businesses, and create new businesses and services.

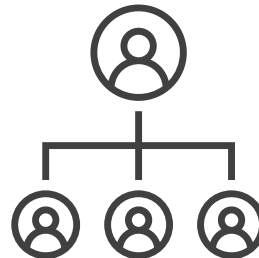
Learn basics of AI and DX

- Hold seminars on AI organized by Cybercore.
- Aim to acquire basic skills for using AI.
- Develop human capital skilled for DX to transform operational processes.

*Cybercore Co., Ltd. joined our group on September 29, 2023.



Establish and roll out education plans.



Re-allocate human capital to focused segments.



Launch new businesses as soon as possible.

5-4. Measures for Human Capital Management (3)

Increasing engagement/promoting DE&I

- Our policy

Inclusion
of diverse human capital

Accept diverse human capital regardless of their gender, nationality, or age.

Requirements for internal environment

Knowledge of and interest in diversity

Success
of diverse human capital

Create an environment where each individual is respected and can succeed as a member of the organization.

Requirements for internal environment

A workplace where every employee has fair access to opportunities
(Eliminate stereotypes and assumptions)

Improving engagement

Enhance our training programs to educate employees about diversity, and ensure that employees have access to fair opportunities.

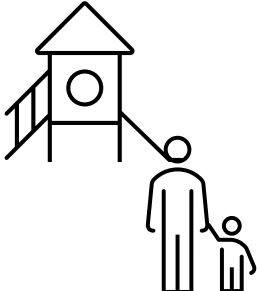
- Diversity management training

Implement a new training program to provide opportunities for diverse human capital to succeed, thereby driving the growth of individuals and the company.



- Training for encouraging male employees to take childcare leave

Launched a training program for management level employees to help them understand the situation with use of childcare leave, and help their team members balance work and personal lives.



Use rate in FY2023

80%

Duration of leave (actual)

1 month to 1 year



5-5. Remodeling Kawagoe Office



- Remodeling Kawagoe Office located in Fujimino, Saitama Prefecture, as part of our initiatives to improve employee engagement and establish a facilitating work environment. To be completed in 2026.
- Install self-consumption solar panels on the roof of the office building to help achieve carbon neutrality.

Kawagoe Office

- Serves as the hub of the Eastern Japan technology division that handles telecommunication work and various types of construction work.
- Number of employees: Approx. 100



Conceptual image of the new office building



Conceptual image of the communal lounge

- A communal lounge in the office space for our employees to actively communicate with one another

6. Sustainability Initiatives

6-1. Sustainability initiatives



Materiality

Key results of FY3/24

Workplace culture and work style reforms

- Enhanced leave benefits
- Achieved 100% attendance of trainings on human rights and harassment
- Conducted diversity management trainings for management-level employees

Strengthening corporate governance

- Outsourced the whistleblowing function
- Achieved 100% attendance of compliance education sessions for officers and division chiefs
- Received the ISO 27001 certificate for all divisions

Contribution to social infrastructure development

- Participated in the project to establish an early warning system and strengthen the disaster prevention system in Kingdom of Tonga
- Achieved an increase in orders for the paid prototyping service and equipment for automobile safety systems

Promoting environmental management

- Submitted the Commitment Letter to declare that we will be SBT certified within 2 years
- Provided internal trainings on green purchasing

Creation of new businesses

- Integrated Cybercore into the group to commercialize the Solutions business as soon as possible
- Launched collaborative projects by utilizing the company matching service of Tokyo Metropolitan Small and Medium Enterprise Support Center

6-2. Updating sustainability KPIs



- Updated sustainability KPIs as we reform the business environment and structure.
- Continue to promote our initiatives to sustainably grow by solving social issues.

Item	Reason for update	From	To
Promote women’s empowerment (Ratio of female managers)	- Updated in line with the plan to rationalize the organization for the organization structural reform.	15% (FY2024)	10% (FY2026)
	- Set a new KPI of getting “Eruboshi” certified, in addition to the KPI for the ratio of women in management-level positions.	-	Certified with Eruboshi (FY2026)
Net sales from projects for communication equipment, reinforcing disaster-prevention functions, and induction heating equipment for safety device systems	- Revised targets in line with the newly developed rolling plans	15% or higher vs. FY2020 (FY2025)	35% or higher vs. FY2023 (FY2026)

*See our website for details of KPIs.

URL: <https://denkikogyo.co.jp/en/sustainability/materiality/>

Appendix

FY3/24 Consolidated results



(Millions of yen)	FY3/23	FY3/24	FY3/24	YoY change		Percentage of forecast	
	Full-year results	Full-year forecasts*	Full-year results	Increase/ decrease	Increase/ decrease rate	Increase/ decrease	Increase/ decrease rate
Net sales	31,817	30,500	28,864	-2,953	-9.3%	-1,636	-5.4%
Cost of sales	27,732	-	24,693	-3,039	-11.0%	-	-
Gross profit	4,084	-	4,170	86	2.1%	-	-
Selling, general, and administrative expenses	5,595	-	5,958	363	6.5%	-	-
Operating income	-1,510	-1,500	-1,787	-277	-	-287	-
Operating margin ratio	-4.7%	-4.9%	-6.2%	-	-	-	-
Ordinary income	-1,219	-1,300	-1,537	-318	-	-237	-
Ordinary income margin	-3.8%	-4.3%	-5.3%	-	-	-	-
Net income attributable to shareholders of parent company	-1,181	-1,100	-1,977	-796	-	-877	-
ROE	-2.7%	-	-5.0%	-	-	-	-

*The figures for FY3/24 are the latest forecasts released on November 10, 2023.

FY3/25 Forecasts for consolidated results

(Millions of yen)	FY3/24 Full-year results	FY3/25 Full-year forecasts	Increase/ decrease	YoY change
Net sales	28,864	33,000	4,136	14.3%
Telecommunication	19,136	22,100	2,964	15.5%
Radio Frequency	9,623	10,800	1,177	12.2%
Operating income	-1,787	500	2,287	-
Operating margin ratio	-6.2%	1.5%	-	-
Telecommunication	-56	649	705	-
Operating margin ratio	-0.3%	2.9%	-	-
Radio Frequency	1,023	1,400	377	36.9%
Operating margin ratio	10.6%	13.0%	-	-
Ordinary income	-1,537	600	2,137	-
Ordinary income margin	-5.3%	1.8%	-	-
Net income attributable to shareholders of parent company	-1,977	400	2,377	-
ROE	-5.0%	1.1%	-	-

*Net sales of the "Others" segment omitted

Notes on Forecasts



Figures included in this document that are related to descriptions, including plans and policies and not past facts, are forecasts regarding future earnings. They are all calculated based on management assumptions and views based on information grasped by the company at the time of writing.

Therefore, these forecasts include risks and uncertain factors, and actual results may differ from them due to a variety of factors.

Such potential risks and uncertain factors include changes in economic situations and product demand levels in major markets, fluctuations in the exchange rate, changes in regulations in Japan and overseas, and accounting standards and practices.

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.