



## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2022	Yen —	Yen 15.00	Yen —	Yen 20.00	Yen 35.00
Fiscal year ending March 31, 2023	—	25.00			
Fiscal year ending March 31, 2023 (Forecast)			—	25.00	50.00

(Note) Revision to the forecast for dividends announced most recently: Yes

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen 250,000	% 11.1	Million yen 22,000	% 21.9	Million yen 24,500	% 31.8	Million yen 18,500	% 29.1	Yen 203.18

(Note) Revision to the financial results forecast announced most recently: Yes

**\* Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes  
(Note) For details, please refer to “2. Quarterly Consolidated Financial Statements and Principal Notes (4) Notes to Quarterly Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)” on page 8 of the Attachments.
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued and outstanding shares (common shares)
- 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

September 30, 2022:	92,302,608 shares
March 31, 2022:	92,302,608 shares
  - 2) Total number of treasury shares at the end of the period:

September 30, 2022:	1,226,051 shares
March 31, 2022:	1,309,945 shares
  - 3) Average number of shares during the period:

Six months ended September 30, 2022:	91,029,347 shares
Six months ended September 30, 2021:	90,964,044 shares

\* These quarterly consolidated financial results are outside the scope of quarterly review by a certified public accountant or an audit firm.

\* Explanation of the proper use of performance forecast and other notes

The forward-looking statements concerning future financial results presented in this document are prepared based on the information currently available for the Company and certain preconditions which the Company believes to be reasonable at this time. Actual results may be substantially different from any projections presented herein due to various factors. Please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Attachments for the assumptions underlying the financial results forecasts and precautions when using the forecasts.

The Company is scheduled to hold a quarterly financial results briefing session (telephone conference) for institutional investors and analysts on October 26, 2022. We will post the quarterly financial results explanatory materials to be used at the session on our website.

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

The world economy during the six months ended September 30, 2022 saw increasing labor costs and energy costs to higher inflation, which in turn led to pushing ahead with the policy of raising interest rates to curb inflation arising by various countries, while a recovery in consumption due to a policy shift to living with COVID-19 mainly in the United States and European nations boosted their economies. With regard to the Japanese economy, the normalization of the economy is progressing with the relaxation of restrictions following widespread vaccinations against COVID-19. However, greater differences in monetary policy from other countries further fueled uncertainty over the Japanese economy, as prices surged owing to the fall in the value of the yen.

In the electronics market relevant to the Group, the industrial market enjoyed a steady demand for capital investment in Japan and abroad. However, we faced a harsh business environment, such as sluggish demand in the Chinese mobile device market as well as output cuts by manufacturers due to prolonged semiconductor shortages and supply chain disruptions in the automotive market.

Under these circumstances, the Group aimed to expand orders received and sales by conducting global marketing centered on its flagship Connector Business and speeding up product development activities. At the same time, the Group strived to achieve higher business performance by thoroughly streamlining management as a whole, including cost reduction through further expansion of in-house production, such as improvement in efficiency of equipment, and the curbing of various expenses.

As a result, for the six months ended September 30, 2022, the Group recorded net sales totaling ¥122,206 million (109% compared to the corresponding period of the previous year). On the profit side, we posted operating profit totaling ¥10,822 million (117% compared to the corresponding period of the previous year), ordinary profit totaling ¥14,314 million (160% compared to the corresponding period of the previous year) mainly due to the recording of foreign exchange gains as the yen depreciation affected the end-of-period valuation of monetary receivables and payables denominated in foreign currencies, and profit attributable to owners of parent totaling ¥10,725 million (158% compared to the corresponding period of the previous year).

### (2) Explanation of Financial Position

#### a. Assets, Liabilities, and Net Assets

Total assets at the end of the six months ended September 30, 2022 amounted to ¥238,347 million, marking an increase of ¥13,004 million from the end of the consolidated fiscal year ended March 31, 2022. The increase was attributable to an increase in trade receivables and inventories as well as the yen's steep depreciation affecting the end-of-period valuation of assets denominated in foreign currencies held by overseas subsidiaries.

Total liabilities amounted to ¥65,473 million, marking a decrease of ¥1,981 million from the end of the consolidated fiscal year ended March 31, 2022, mainly due to a decrease in the scheduled payment of borrowings.

Net assets amounted to ¥172,873 million, marking an increase of ¥14,986 million from the end of the consolidated fiscal year ended March 31, 2022, mainly due to the recording of profit attributable to owners of parent and an increase in foreign currency translation adjustment due to yen depreciation, improving the equity ratio by 2.5 percent points to 72.5%.

#### b. Cash Flows

Net cash provided by operating activities for the consolidated six months ended September 30, 2022 was ¥15,471 million (¥14,000 million provided in the corresponding period of the previous year). This was attributable to the recording of profit before income taxes and depreciation, despite negative factors such as an increase in trade receivables and income taxes paid.

Net cash used in investing activities was ¥9,795 million (¥10,276 million used in the corresponding period of the previous year), mainly due to expenses arising from the purchase of property, plant and equipment centered on equipment to manufacture new products.

Net cash used in financing activities was ¥5,548 million (¥4,600 million used in the corresponding period of the previous year), due to dividends paid and the scheduled payment of borrowings.

As a result, the balance of cash and cash equivalents on September 30, 2022 increased by ¥2,714 million, including ¥2,586 million in effect of exchange rate change to cash and cash equivalents, to ¥68,274 million from the previous consolidated fiscal year.

### (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

On July 27, 2022, when we released the quarterly financial results for the three months ended June 30, 2022, we withdrew the consolidated financial results forecast for the fiscal year ending March 31, 2023, which was originally announced on April 27, 2022, and left it undecided, because of the need to examine our plans for the second half of the fiscal year due to major changes in our business environment, including foreign exchange trends at the beginning of the fiscal year.

The consolidated financial results for the six months ended September 30, 2022, net sales and operating profit were generally in line with our plans, and ordinary profit and profit attributable to owners of parent exceeded the plan due to the impact of foreign exchange (yen depreciation). In addition, although we anticipate that we will continue to face a harsh business environment on the economic front in the second half of the fiscal year, in the electronics market relevant to the Group, we expect a steady demand in the industrial market in Japan and abroad as well as demand recovery in the automotive market as the economy returns to normal.

Based on the outlook above, we revised the consolidated financial results forecast for the fiscal year ending March 31, 2023, which was left undecided. For details, please refer to the “Announcement of Revisions to Financial Results Forecast” released today (October 26, 2022).

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	65,559	68,274
Notes and accounts receivable - trade	43,166	47,943
Inventories	28,971	31,320
Other	6,381	6,348
Allowance for doubtful accounts	(46)	(45)
Total current assets	144,033	153,842
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,270	25,942
Machinery, equipment and vehicles, net	20,542	21,432
Tools, furniture and fixtures, net	8,538	9,825
Land	6,737	6,851
Construction in progress	6,578	6,112
Total property, plant and equipment	67,667	70,165
Intangible assets	2,608	2,608
Investments and other assets		
Deferred tax assets	3,935	4,138
Other	7,238	7,731
Allowance for doubtful accounts	(139)	(139)
Total investments and other assets	11,035	11,731
Total non-current assets	81,310	84,505
Total assets	225,343	238,347

(Million yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	31,119	30,684
Short-term borrowings	9,614	9,718
Income taxes payable	2,784	3,828
Provision for bonuses for directors (and other officers)	110	70
Other	13,438	14,459
<u>Total current liabilities</u>	<u>57,065</u>	<u>58,760</u>
Non-current liabilities		
Long-term borrowings	7,802	3,891
Retirement benefit liability	950	946
Other	1,636	1,876
<u>Total non-current liabilities</u>	<u>10,389</u>	<u>6,713</u>
<u>Total liabilities</u>	<u>67,455</u>	<u>65,473</u>
<b>Net assets</b>		
Shareholders' equity		
Share capital	10,690	10,690
Capital surplus	14,604	14,708
Retained earnings	126,248	135,154
Treasury shares	(998)	(934)
<u>Total shareholders' equity</u>	<u>150,544</u>	<u>159,618</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	925	860
Foreign currency translation adjustment	5,515	11,611
Remeasurements of defined benefit plans	768	668
<u>Total accumulated other comprehensive income</u>	<u>7,210</u>	<u>13,139</u>
Share acquisition rights	133	115
<u>Total net assets</u>	<u>157,887</u>	<u>172,873</u>
<u>Total liabilities and net assets</u>	<u>225,343</u>	<u>238,347</u>

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

### Quarterly Consolidated Statements of Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Net sales	112,025	122,206
Cost of sales	91,011	98,918
Gross profit	21,013	23,288
Selling, general and administrative expenses	11,789	12,465
Operating profit	9,223	10,822
Non-operating income		
Interest income	22	32
Dividend income	85	89
Foreign exchange gains	72	3,582
Subsidy income	1	5
Other	170	115
Total non-operating income	352	3,825
Non-operating expenses		
Interest expenses	56	42
Loss on retirement of non-current assets	494	259
Other	78	32
Total non-operating expenses	629	333
Ordinary profit	8,946	14,314
Profit before income taxes	8,946	14,314
Income taxes - current	2,130	3,547
Income taxes - deferred	30	42
Total income taxes	2,161	3,589
Profit	6,785	10,725
Profit attributable to owners of parent	6,785	10,725

### Quarterly Consolidated Statements of Comprehensive Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Profit	6,785	10,725
Other comprehensive income		
Valuation difference on available-for-sale securities	18	(65)
Foreign currency translation adjustment	652	6,095
Remeasurements of defined benefit plans, net of tax	(11)	(100)
Total other comprehensive income	659	5,929
Comprehensive income	7,445	16,655
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,445	16,655
Comprehensive income attributable to non-controlling interests	—	—

## (3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	8,946	14,314
Depreciation	9,947	10,109
Increase (decrease) in retirement benefit liability	(65)	(46)
Interest and dividend income	(107)	(121)
Interest expenses	56	42
Foreign exchange losses (gains)	104	(1,036)
Loss on retirement of non-current assets	494	259
Decrease (increase) in trade receivables	(691)	(3,586)
Decrease (increase) in inventories	(6,196)	(837)
Increase (decrease) in trade payables	1,006	(1,206)
Other, net	1,933	39
Subtotal	15,428	17,930
Interest and dividends received	108	123
Interest paid	(56)	(44)
Income taxes paid	(1,569)	(2,756)
Income taxes refund	90	217
Net cash provided by (used in) operating activities	14,000	15,471
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(9,735)	(9,396)
Proceeds from sale of property, plant and equipment	6	2
Purchase of investment securities	(0)	(0)
Other, net	(547)	(400)
Net cash provided by (used in) investing activities	(10,276)	(9,795)
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(3,207)	(3,807)
Dividends paid	(1,364)	(1,819)
Other, net	(29)	78
Net cash provided by (used in) financing activities	(4,600)	(5,548)
Effect of exchange rate change on cash and cash equivalents	55	2,586
Net increase (decrease) in cash and cash equivalents	(821)	2,714
Cash and cash equivalents at beginning of period	70,086	65,559
Cash and cash equivalents at end of period	69,265	68,274

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

For calculation of tax expenses, we adopt a method whereby the effective tax rate for the profit before income taxes for the fiscal year ending March 31, 2023, after the application of tax effect accounting is reasonably estimated, and the quarterly profit before income taxes is multiplied by such effective tax rate.

However, in cases where calculating tax expenses using the reasonably estimated effective tax rate yields a result that is notably lacking rationality, tax expenses are calculated using the statutory effective tax rate.

(Segment information, etc.)

[Segment information]

For the six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment			Others (Note 2)	Total	Adjustment	Amount recorded in Quarterly Consolidated Statements of Income
	Connector Business	User Interface Solutions Business	Aerospace Business				
Net sales							
Mobile devices	46,419	—	—	—	46,419	—	46,419
Automotive	38,253	3,462	583	—	42,298	—	42,298
Industrial and infrastructure	11,967	2,077	3,709	—	17,754	—	17,754
Others	3,223	—	1,959	371	5,554	—	5,554
Revenue from contracts with customers	99,862	5,539	6,251	371	112,025	—	112,025
Total	99,862	5,539	6,251	371	112,025	—	112,025
Segment income (Note 1)	10,887	232	311	136	11,567	(2,344)	9,223

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥2,344 million in general and administrative expenses such as headquarters staff expenses, which is difficult to allocate to each reportable segment, is included in the adjustment.

2. The “Others” classification is a business segment that is not included in any reportable segments and includes the sale of other goods and the service business.

For the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment			Others (Note 2)	Total	Adjustment	Amount recorded in Quarterly Consolidated Statements of Income
	Connector Business	User Interface Solutions Business	Aerospace Business				
Net sales							
Mobile devices	49,015	—	—	—	49,015	—	49,015
Automotive	40,255	3,431	628	—	44,315	—	44,315
Industrial and infrastructure	13,971	2,647	6,038	—	22,657	—	22,657
Others	3,608	—	2,170	439	6,218	—	6,218
Revenue from contracts with customers	106,850	6,078	8,837	439	122,206	—	122,206
Total	106,850	6,078	8,837	439	122,206	—	122,206
Segment income (Note 1)	11,114	539	1,589	123	13,365	(2,543)	10,822

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥2,543 million in general and administrative expenses such as headquarters staff expenses, which is difficult to allocate to each reportable segment, is included in the adjustment.

2. The “Others” classification is a business segment that is not included in any reportable segments and includes the sale of other goods and the service business.