

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: None

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 233,000	% 3.5	Million yen 18,500	% 2.5	Million yen 19,000	% 2.2	Million yen 14,500	% 1.2	Yen 159.24

(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 (3) Notes to Quarterly Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)” on page 7 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):

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

December 31, 2022:	1,214,097 shares
March 31, 2022:	1,309,945 shares
 - 3) Average number of shares during the period:

Nine months ended December 31, 2022:	91,045,904 shares
Nine months ended December 31, 2021:	90,967,894 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 January 27, 2023. We will post the quarterly financial results explanatory materials on our website.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

The world economy during the nine months ended December 31, 2022 saw various countries forging ahead with the policy of monetary tightening in response to accelerating inflation due mainly to higher energy costs triggered by the Ukraine conflict, although economic expansion was expected due to a policy shift to living with COVID-19 mainly in the United States and European nations. In addition, the Chinese economy experienced a significant slowdown owing to lockdowns under the country's zero-COVID policy as well as rapid expansion of infections and subsequent disruption after the de facto lifting of its anti-COVID measures over the year end.

With regard to the Japanese economy, the normalization of the economy was progressing with the relaxation of anti-infection measures against COVID-19. However, differences in monetary policy from other countries led to the weaker yen. Furthermore, the third quarter ended December 31, 2022 was marked by a rapidly changing and harsh business environment, including price increases and the Bank of Japan's year-end policy change resulting in a turnaround and the appreciation of the yen.

In the electronics market relevant to the Group, automakers revised down their production plans because of the difficulty in procuring some semiconductors and disruptions caused by China's lifting of zero-COVID policy, despite their initial plans to increase output in the third quarter ended December 31, 2022. Moreover, the industrial market saw a slowdown in demand for semiconductor manufacturing equipment and rapid adjustments in the receipt of orders for general industrial machinery during late in the third quarter, occurred against the backdrop of a rapid macroeconomic declines. Meanwhile, demand remained sluggish in the Chinese mobile device market, and witnessed a decrease in production due to the spread of COVID-19 infections. We thus faced a harsh business environment.

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.

Consequently, with the results for the nine months ended December 31, 2022 partly affected by the weak yen, the Group recorded net sales totaling ¥183,762 million (108% compared to the corresponding period of the previous year). On the profit side, we posted operating profit totaling ¥16,185 million (112% compared to the corresponding period of the previous year), ordinary profit totaling ¥17,769 million (127% compared to the corresponding period of the previous year) mainly due to the recording of foreign exchange gains from the end-of-period valuation of monetary receivables and payables denominated in foreign currencies, and profit attributable to owners of parent totaling ¥13,424 million (129% compared to the corresponding period of the previous year).

(2) Explanation of Financial Position

Total assets at the end of the nine months ended December 31, 2022 amounted to ¥230,319 million, marking an increase of ¥4,976 million from the end of the consolidated fiscal year ended March 31, 2022. The increase was attributable mainly to an increase in inventories and construction in progress arising from the expansion of a factory by our subsidiary (JAE Yamagata, Ltd.), which serves as our major domestic producer in the Connector Business.

Total liabilities amounted to ¥60,865 million, marking a decrease of ¥6,590 million from the end of the consolidated fiscal year ended March 31, 2022, mainly due to the scheduled payment of borrowings.

Net assets amounted to ¥169,454 million, marking an increase of ¥11,567 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.

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

The consolidated financial results for the nine months ended December 31, 2022 released today were generally in line with our plans, as our business for the industrial market led the Group's performance on the back of a steady demand for capital investment in Japan and abroad toward the middle of the third quarter ended December 31, 2022, alongside with the effect of the weak yen.

However, we revised the consolidated financial results forecast for the fiscal year ending March 31, 2023, which we announced on October 26, 2022, as follows, because, as described above, a downturn in demand in the three markets we focus on late in the third quarter ended December 31, 2022 and the appreciation of the yen that started at the end of the year, among other factors, are expected to affect our performance in the fourth quarter ending March 31, 2023.

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Million yen 250,000	Million yen 22,000	Million yen 24,500	Million yen 18,500	Yen 203.18
Revised forecast (B)	233,000	18,500	19,000	14,500	159.24
Amount change (B-A)	(17,000)	(3,500)	(5,500)	(4,000)	–
Percentage change (%)	(6.8)	(15.9)	(22.4)	(21.6)	–
(Reference) Fiscal year ended March 31, 2022	225,079	18,049	18,594	14,325	157.46

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	65,559	67,489
Notes and accounts receivable - trade	43,166	42,107
Inventories	28,971	30,698
Other	6,381	6,295
Allowance for doubtful accounts	(46)	(40)
Total current assets	144,033	146,550
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,270	24,794
Machinery, equipment and vehicles, net	20,542	19,465
Tools, furniture and fixtures, net	8,538	8,560
Land	6,737	6,763
Construction in progress	6,578	9,904
Total property, plant and equipment	67,667	69,489
Intangible assets	2,608	2,551
Investments and other assets		
Deferred tax assets	3,935	3,995
Other	7,238	7,871
Allowance for doubtful accounts	(139)	(139)
Total investments and other assets	11,035	11,727
Total non-current assets	81,310	83,769
Total assets	225,343	230,319

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	31,119	30,696
Short-term borrowings	9,614	8,618
Income taxes payable	2,784	2,568
Provision for bonuses for directors (and other officers)	110	90
Other	13,438	12,396
Total current liabilities	57,065	54,369
Non-current liabilities		
Long-term borrowings	7,802	3,891
Retirement benefit liability	950	891
Other	1,636	1,712
Total non-current liabilities	10,389	6,495
Total liabilities	67,455	60,865
Net assets		
Shareholders' equity		
Share capital	10,690	10,690
Capital surplus	14,604	14,724
Retained earnings	126,248	135,575
Treasury shares	(998)	(925)
Total shareholders' equity	150,544	160,064
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	925	933
Foreign currency translation adjustment	5,515	7,680
Remeasurements of defined benefit plans	768	657
Total accumulated other comprehensive income	7,210	9,271
Share acquisition rights	133	119
Total net assets	157,887	169,454
Total liabilities and net assets	225,343	230,319

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Net sales	169,751	183,762
Cost of sales	137,461	148,764
Gross profit	32,289	34,998
Selling, general and administrative expenses	17,815	18,813
Operating profit	14,473	16,185
Non-operating income		
Interest income	33	65
Dividend income	111	122
Foreign exchange gains	—	1,684
Subsidy income	1	12
Other	208	205
Total non-operating income	354	2,089
Non-operating expenses		
Interest expenses	82	62
Loss on retirement of non-current assets	530	400
Foreign exchange losses	117	—
Other	93	42
Total non-operating expenses	824	505
Ordinary profit	14,003	17,769
Profit before income taxes	14,003	17,769
Income taxes - current	3,510	4,282
Income taxes - deferred	68	62
Total income taxes	3,578	4,345
Profit	10,424	13,424
Profit attributable to owners of parent	10,424	13,424

Quarterly Consolidated Statements of Comprehensive Income
Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Profit	10,424	13,424
Other comprehensive income		
Valuation difference on available-for-sale securities	(103)	7
Foreign currency translation adjustment	1,915	2,164
Remeasurements of defined benefit plans, net of tax	(20)	(111)
Total other comprehensive income	1,792	2,060
Comprehensive income	12,216	15,484
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,216	15,484
Comprehensive income attributable to non-controlling interests	—	—

(3) 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 nine months ended December 31, 2021 (from April 1, 2021 to December 31, 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	70,243	—	—	—	70,243	—	70,243
Automotive	57,324	4,831	734	—	62,889	—	62,889
Industrial and infrastructure	18,639	3,098	5,991	—	27,728	—	27,728
Others	5,072	—	3,228	589	8,890	—	8,890
Revenue from contracts with customers	151,278	7,929	9,953	589	169,751	—	169,751
Total	151,278	7,929	9,953	589	169,751	—	169,751
Segment income (Note 1)	16,740	310	722	182	17,955	(3,481)	14,473

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥3,481 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 nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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	72,443	—	—	—	72,443	—	72,443
Automotive	63,252	4,498	943	—	68,693	—	68,693
Industrial and infrastructure	20,669	4,265	9,354	—	34,288	—	34,288
Others	4,403	—	3,270	663	8,336	—	8,336
Revenue from contracts with customers	160,767	8,763	13,568	663	183,762	—	183,762
Total	160,767	8,763	13,568	663	183,762	—	183,762
Segment income (Note 1)	16,447	678	2,657	177	19,959	(3,774)	16,185

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥3,774 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.