



ROHM Co., Ltd. Financial Highlights for the First Six Months of the Year Ending March 31, 2024

(From April 1, 2023 to September 30, 2023)

November 1, 2023

Consolidated Financial Results

(Figures are rounded down to the nearest million yen. Any fraction less than the unit is rounded off)

		'24/3	'23/3	Change from the previous year		'23/3	'24/3 (Projected)	Change from the previous year	
				Amount	Percentage				Annual
Net sales	Millions of yen	239,319	259,912	-20,593	-7.9%	507,882	500,000	-1.6%	
Cost of sales	Millions of yen	159,155	160,999	-1,844	-1.1%	314,220	340,000		
Selling, general and administrative expenses	Millions of yen	50,330	48,508	+1,822	+3.8%	101,344	107,000		
Operating profit	Millions of yen	29,833	50,403	-20,570	-40.8%	92,316	53,000	-42.6%	
		(12.5%)	(19.4%)	(-6.9%)		(18.2%)	(10.6%)		
Ordinary profit	Millions of yen	50,098	70,913	-20,815	-29.4%	109,530	70,000	-36.1%	
		(20.9%)	(27.3%)	(-6.4%)		(21.6%)	(14.0%)		
Profit attributable to owners of parent	Millions of yen	37,305	52,126	-14,821	-28.4%	80,375	59,000	-26.6%	
		(15.6%)	(20.1%)	(-4.5%)		(15.8%)	(11.8%)		
Figures in () indicate ratio to sales.									
Net income per share	Note2	yen	95.37	132.79	-37.42	-28.2%	204.66	151.77	
ROE		%					9.2		
ROA		%					7.5		
Net assets per share	Note2	yen	2,473.72	2,320.89	+152.83	+6.6%	2,330.49		
EBITDA	Note3	Millions of yen	61,299	75,255	-13,956	-18.5%	148,456	131,400	-11.5%
Capital expenditures		Millions of yen	63,915	49,157	+14,758	+30.0%	126,116	160,000	+26.9%
Depreciation		Millions of yen	31,465	24,851	+6,614	+26.6%	56,140	78,400	+39.7%
Research and development costs		Millions of yen	20,721	19,896	+825	+4.1%	42,560	45,500	+6.9%
Foreign exchange gains (losses)		Millions of yen	(gain)10,734	(gain)17,934	(loss)7,200		(gain)11,387		
Number of employees		Number	23,743	23,960	-217	-0.9%	23,754		
Foreign exchange rate (Average yen-dollar rate)		yen/US\$	141.31	133.46	+7.85	+5.9%	134.95	140.71	

(Note) 1. As the projected data are based on the information that ROHM is currently acquiring as well as specific prerequisites judged as legitimate, actual data may be considerably different due to various factors.

2. The Company implemented a four-for-one common stock split, effective October 1, 2023. "Net income per share" and "Net assets per share" are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

3. EBITDA is calculated by adding back depreciation to operating profit.

Contact: Investor Relations Div., ROHM Co., Ltd.

21, Saiin Mizosaki-cho, Ukyo-ku, Kyoto 615-8585 Japan +81-75-311-2121

Note: This report is a translation of the financial highlights of the Company prepared in accordance with the provisions set forth in the Securities and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan. The original version of this report is written in Japanese. In the event of any discrepancies in words, accounts, figures, or the like between this report and the original, the original Japanese version shall govern.



Financial Report for the First Six Months of the Year Ending March 31, 2024 [Based on Japanese Standard] (Consolidated)

Listed Company Name: ROHM CO., LTD.

Code No.: 6963 URL <https://www.rohm.com>

Company Representative: (Title) President, CEO (Representative)

Contact Person: (Title) Director, Managing Executive Officer,
CFO

November 1, 2023
Stock Exchange Listings: Tokyo

(Name) Isao Matsumoto

(Name) Kazuhide Ino

TEL +81-75-311-2121

Scheduled Date for Submitting the Quarterly Financial Reports

November 7, 2023

Scheduled Dividend Payment Date

December 1, 2023

Preparation of Supplementary Briefing Materials for the Quarterly Settlement:

Yes

Briefing Session for the Quarterly Settlement to Be Held:

Yes (For analysts and institutional investors)

(Figures are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the First Six Months of the Year Ending March 31, 2024 (From April 1, 2023 to September 30, 2023)

(1) Consolidated Results of Operations (Accumulated total)

(The percentages [%] represent change from the same time of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First six months of the year ending March 31, 2024	239,319	-7.9	29,833	-40.8	50,098	-29.4	37,305	-28.4
First six months of the year ended March 31, 2023	259,912	16.7	50,403	46.0	70,913	87.3	52,126	69.2

(Note) Comprehensive income
 First six months of the year ending March 31, 2024 69,625 million yen (-15.2%)
 First six months of the year ended March 31, 2023 82,086 million yen (164.2%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
First six months of the year ending March 31, 2024	95.37		92.39	
First six months of the year ended March 31, 2023	132.79		128.75	

(Note) The Company implemented a four-for-one common stock split, effective October 1, 2023. "Net income per share" and "Diluted net income per share" are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
First six months of the year ending March 31, 2024	1,450,704		955,316		65.8	
Year ended March 31, 2023	1,123,283		915,465		81.4	

(Reference) Shareholder's equity
 First six months of the year ending March 31, 2024: 954,712 million yen
 Year ended March 31, 2023: 914,912 million yen

2. Dividend Details

	Annual dividend				
	End of the first quarter	Interim	End of the third quarter	End of year	Total
	Yen				
Year ended March 31, 2023	-	100.00	-	100.00	200.00
Year ending March 31, 2024	-	100.00			
Year ending March 31, 2024 (Estimates)			-	25.00	-

(Note) 1. Revision to recently disclosed dividend estimates: None

2. The Company implemented a four-for-one common stock split, effective October 1, 2023. The dividend forecast per share for the Interim of this fiscal year shows the amount before the stock split and the End of year shows the amount after the stock split. The annual dividend forecast is not shown due to the inability to simply total the dividend due to the stock split. The annual dividend on a pre-split basis is 200.00 yen per share.

3. Consolidated Financial Results Forecast for the Year Ending March 31, 2024 (From April 1, 2023 to March 31, 2024)

(The percentages [%] represent change from the previous year.)

Annual	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
	500,000	-1.6	53,000	-42.6	70,000	-36.1	59,000	-26.6	151.77	

(Note) 1. Revision to recently disclosed figures for consolidated financial results forecast: Yes

2. The Company implemented a four-for-one common stock split, effective October 1, 2023. The above net income per share figures are those after the stock split.

*Note

(1) Major Changes in Subsidiaries During the First Six Months of the Current Fiscal Year
(Changes to specified subsidiaries accompanying revision on the scope of consolidation): None

(2) Application of Specific Accounting Method for Compiling Consolidated Quarterly Financial Statement: Yes

(Note) For details, please refer to "2. Consolidated Quarterly Financial Statements and Important Notes (4) Notes on Consolidated Quarterly Financial Statement (Application of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)" on page 11 of the attached document.

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Revisions

[1] Changes in accounting policies according to revision to accounting standards:	None
[2] Other changes in accounting policies other than items indicated in [1]:	Yes
[3] Change in accounting estimates:	None
[4] Restatement of revisions:	None

(Note) For details, please refer to "2. Consolidated Quarterly Financial Statements and Important Notes (4) Notes on Consolidated Quarterly Financial Statement (Changes in Accounting Policies)" on page 11 of the attached document.

(4) Number of Shares Outstanding (common shares)

[1] Number of shares outstanding at the end of the period (incl. treasury stocks)	First six months of the year ending March 31, 2024	412,000,000 shares
	Year ended March 31, 2023	412,000,000 shares
[2] Number of treasury stocks at the end of the period	First six months of the year ending March 31, 2024	26,057,532 shares
	Year ended March 31, 2023	19,429,112 shares
[3] Average number of shares during the period (Accumulated total of the quarter)	First six months of the year ending March 31, 2023	391,163,681 shares
	First six months of the year ended March 31, 2022	392,561,981 shares

(Note) The Company implemented a four-for-one common stock split, effective October 1, 2023. "Number of shares outstanding at the end of the period", "Number of treasury stocks at the end of the period" and "Average number of shares during the period" are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

*This quarterly financial report is not subject to quarterly review by a Certified Public Accountant or Audit Firm.

*Explanation on Adequate Usage of Financial Results Forecast

Statements on financial results forecasts in this financial report are based on current information acquired by ROHM as well as specific legitimate premises for making decisions, therefore ROHM makes no promises as to attaining these forecasts.

Actual financial results may be considerably different due to various factors. For conditions and notes used for making prepositions of financial forecasts, please refer to "1. Qualitative Information Regarding Business Results, etc. for the First Six Months of the Current Fiscal Year, (3) Qualitative Information Regarding Consolidated Financial Results Forecast" on the Financial Report for the First Six Months of the Year Ending March 31, 2024 (Page 4 on the Appendix).

The financial results presentation and supplementary materials will be disclosed via TDnet and posted on the Company's website on November 2, 2023.

Table of Contents

1. Qualitative Information Regarding Business Results, etc. for the First Six Months of the Current Fiscal Year	2
(1) Business Results	2
(2) Financial Conditions	3
(3) Qualitative Information Regarding Consolidated Financial Results Forecast	4
2. Consolidated Quarterly Financial Statements and Important Notes	6
(1) Consolidated Quarterly Balance Sheet	6
(2) Consolidated Quarterly Statement of Income and Consolidated Quarterly Statement of Comprehensive Income	8
(Consolidated quarterly statement of income)	8
(Consolidated quarterly statement of comprehensive income)	9
(3) Consolidated Quarterly Statements of Cash Flows	10
(4) Notes on Consolidated Quarterly Financial Statement	11
(Note on going concern)	11
(Note in case of significant change in amount of shareholder's equity)	11
(Application of Special Accounting for Preparing Quarterly Consolidated Financial Statement)	11
(Changes in Accounting Policies)	11
(Segment information)	11

* Separately attached as supplementary material are “Financial Highlights for the First Six Months of the Year Ending March 31, 2024”.

1. Qualitative Information Regarding Business Results, etc., for the First Six Months of the Current Fiscal Year

(1) Business Results

General Overview of Business Performance

During the first six months (April through September) of the consolidated fiscal year ending March 31, 2024, the outlook for the global economy remained uncertain due to concerns over an economic slowdown on the back of aggressive monetary tightening by central banks in the United States and Europe, as well as the ongoing slump in China's property market.

In the electronics industry, the automotive market saw a slowdown in growth during the period, mainly due to inventory adjustments of automotive-related parts, despite the ongoing recovery in global automobile production volume on the back of various incentive policies provided by governments around the world to promote the adoption of xEVs (the generic name for electromotive vehicles such as hybrid electric vehicles, plug-in hybrid electric vehicles and fuel-cell electric vehicles), as well as the easing of the semiconductor shortage. Despite ongoing needs for factory automation and higher production efficiency, the industrial equipment market entered an adjustment phase as businesses showed increasing reluctance to make capital investments amid growing concerns about the slowing global economy. The consumer equipment market, the communication equipment market, and the computer and storage market all performed poorly due to a continued decline in demand and inventory adjustments.

Working within this business environment, we have proceeded with the development of new products and technologies for power and analog devices, where the ROHM Group excels, for the automotive and industrial equipment markets, where mid- to long-term growth is expected. Through such efforts, we have promoted our proposals for total solutions that can extensively contribute to meeting customers' needs for energy saving and miniaturization.

In terms of production, we have continued to take action to achieve total optimization, and we have also promoted the installation of labor-saving and automated production lines through "monozukuri (manufacturing) innovation." In addition, we have made every effort to ensure the stable supply of our products to customers by improving productivity and increasing our production capacity to cope with fast-growing demand for SiC and other power devices, albeit with the production adjustment of some of the general-purpose devices.

As a result, consolidated net sales for the first six months of the fiscal year ending March 31, 2024 declined, primarily in the computer and storage market and consumer equipment market, despite an increase in sales in the automotive market to 239,319 million yen, down 7.9% from the same period last year. Operating profit decreased 40.8% from the same period last year to 29,833 million yen, and the operating profit margin declined to 12.5% from 19.4%.

Ordinary profit also decreased 29.4% from the same period last year to 50,098 million yen due to an increase in commission income, while operating profit and foreign exchange gains decreased.

Profit attributable to owners of parent decreased 28.4% from the same period last year to 37,305 million yen.

Moreover, EBITDA (*1), an accounting metric that we emphasize in the ROHM Group, was 61,299 million yen for the first six months of the fiscal year ending March 31, 2024, down 18.5% from the same period last year.

*1 EBITDA (Earnings before interest, taxes, depreciation and amortization)

An accounting metric widely used around the world to compare businesses in terms of earning power, calculated by adding interest and depreciation to a company's pretax earnings. The ROHM Group simplifies the EBITDA calculation by adding back depreciation to operating profit.

Overview of Performance by Segment

Integrated Circuits (ICs)

By market, in the automotive market, sales of high-value-added ICs, such as isolated gate driver ICs for powertrain applications, increased steadily in line with the accelerated popularization of xEVs, while sales of driver ICs for high-performance semiconductor power switches (IPDs), driver ICs for automotive light-emitting diode (LED) applications, and power management ICs all performed well. In the consumer equipment market, while sales of ICs for audio-visual (AV) equipment and home electric appliance

applications saw the biggest decline, sales of motor driver ICs for energy-saving air conditioners did well primarily due to soaring energy prices. In the computer and storage market, sales of power ICs for personal computer (PC) and solid-state drive (SSD) and fan motor driver ICs declined. In addition, sales of ICs for the industrial equipment and communication equipment markets faced headwinds as well.

As a result, consolidated net sales for the first six months of the fiscal year ending March 31, 2024 were 107,357 million yen, down 8.3% from the same period last year, and segment profit was 12,229 million yen, down 52.6% from the same period last year.

Discrete Semiconductor Devices

By business segment, sales of transistors, diodes and power devices in the automotive market, particularly for xEVs, remained strong, but sales continued to struggle in the consumer equipment market and the computer and storage market. Sales of LEDs and laser diodes slumped primarily in the consumer equipment market.

As a result, consolidated net sales for the first six months of the fiscal year ending March 31, 2024 were 102,050 million yen, down 6.8% from the same period last year, and segment profit was 13,008 million yen, down 31.3% from the same period last year.

Modules

By business segment, sales of printheads declined primarily for payment terminal devices. As for optical modules, sales of sensor modules for smartphones increased.

As a result, consolidated net sales for the first six months of the fiscal year ending March 31, 2024 were 16,925 million yen, down 7.2% from the same period last year, and segment profit was 1,935 million yen, down 32.0% from the same period last year.

Others

By business segment, sales of high-reliability resistors, such as high-power resistors and shunt resistors, performed well in the automotive market, while sales of resistors declined in the industrial equipment market.

As a result, consolidated net sales for the first six months of the fiscal year ending March 31, 2024 were 12,986 million yen, down 14.2% from the same period last year, and segment profit was 1,245 million yen, down 59.6% from the same period last year.

Sales referenced in the “Overview of Performance by Segment” section above were to customers outside of the ROHM Group.

(2) Financial Conditions

At the end of the second quarter of the fiscal year ending March 31, 2024 total assets were 1,450,704 million yen, an increase of 327,421 million yen from the end of the previous fiscal year, which can be largely explained by increases respectively in investment securities of 299,924 million yen, property, plant and equipment of 41,040 million yen and inventories of 20,064 million yen, partially offset by decreases in cash and deposits of 19,049 million yen and securities of 12,432 million yen.

Total liabilities were 495,388 million yen, an increase of 287,571 million yen from the end of the previous fiscal year, which can be largely explained by increases in short-term borrowings of 300,000 million yen, deferred tax liabilities of 2,737 million yen, other in non-current liabilities of 2,055 million yen (of which long-term accounts payable of 1,705 million yen), partially offset by decreases in accounts payable (other) of 11,343 million yen and income taxes payable of 6,521 million yen.

Total net assets were 955,316 million yen, an increase of 39,851 million yen from the end of the previous fiscal year, which can be largely explained by increases in foreign currency translation adjustment of 31,753 million yen and retained earnings due to reporting of profit attributable to owners of parent of 27,491 million yen, partially offset by a decrease in acquisition of treasury shares of 19,975 million yen.

As a result, the equity ratio decreased to 65.8% from 81.4% at the end of the previous fiscal year.

The status of cash flows for the first six months of the fiscal year ending March 31, 2024 is as follows:

Cash flows from operating activities were positive 4,2901 million yen, a decrease of 9,043 million yen from the same period last year of positive 51,945 million yen, which can be largely explained by a turnaround from an increase to a decrease in trade receivables

and an increase in depreciation as positive factors, and a decrease in profit before income taxes, and increases in income taxes paid and commission income as negative factors.

Cash flows from investing activities were positive 350,903 million yen, an increase of 292,658 million yen from the same period last year of negative 58,245 million yen, which can be largely explained by a turnaround from an increase to a decrease in time deposits as a positive factor and increases in purchase of short-term and long-term investment securities and purchase of property, plant and equipment as negative factors.

Cash flows from financing activities were negative 275,395 million yen, an increase of 287,020 million yen from the same period last year of negative 11,624 million yen, which can be largely explained by increases in short-term borrowings and commission income received as positive factors, and an increase in acquisition of treasury shares as a negative factor.

After factoring in the effect of exchange rate change of an increase of 14,728 million yen to the factors above, cash and cash equivalents at the end of the second quarter of the fiscal year ending March 31, 2024 were 276,376 million yen, a decrease of 17,877 million yen from the end of the previous fiscal year.

(3) Qualitative Information Regarding Consolidated Financial Results Forecast

The outlook for the global economy remains uncertain due to growing concerns over geopolitical risks, higher interest rates due to global inflation, and unstable foreign exchange markets, among other factors. The electronics industry will likely continue to benefit from the further promotion of energy savings to combat climate change and help realize a decarbonized society, and increasing capital investments for factory automation and digitization around the world. The automotive market is expected to see a steady growth on the back of an increase in global automobile production volume and the surge toward further electrification of vehicles and more extensive use of electronic components in vehicles. In addition, we expect that the adoption, primarily, of power and analog devices on which the ROHM Group focuses will expand steadily in the automotive market. Overall, the consumer equipment market and the computer and storage market are expected to recover in the second half, but will continue to face challenging conditions in this fiscal year as we expect that the full-year growth of these markets will be weak on a year-over-year basis primarily due to the effects of the market slowdown in the first half, despite an expected gradual turnaround in the markets in the second half.

The market slowdown due to economic uncertainties and the effects of inventory adjustments have clouded the ROHM Group's forecast of sales and profits for this fiscal year.

Given such circumstances, we have revised the full-year consolidated earnings forecast for the fiscal year ending March 31, 2024 as follows:

Consolidated Financial Results Forecast

(in Billions of yen)

	Year ended March 31, 2023	Year ending March 31, 2024 (Estimates)	Percentage Change from the Previous Year
Net Sales	507.8	500.0	-1.6%
Operating profit	92.3	53.0	-42.6%
Ordinary profit	109.5	70.0	-36.1%
Profit attributable to owners of parent	80.3	59.0	-26.6%

Sales Forecast by Segment

	Year ended March 31, 2023	Year ending March 31, 2024 (Estimates)	Percentage Change from the Previous Year
ICs	233.7	221.4	-5.2%
Discrete semiconductor devices	212.2	217.3	+2.4%
Modules	34.3	34.4	+0.5%
Others	27.6	26.6	-3.5%

Figures are based on an exchange rate of 1 USD to 140 JPY in the second half of the fiscal year.

2. Consolidated Quarterly Financial Statements and Important Notes
 (1) Consolidated Quarterly Balance Sheet

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	291,154	272,105
Notes and accounts receivable - trade	100,472	98,119
Electronically recorded monetary claims - operating	9,277	8,309
Securities	38,093	25,661
Merchandise and finished goods	53,779	57,654
Work in process	79,646	88,483
Raw materials and supplies	62,059	69,411
Income taxes refund receivable	1,884	435
Other	17,669	16,538
Allowance for doubtful accounts	-56	-72
Total current assets	653,979	636,645
Non-current assets		
Property, plant and equipment		
Buildings and structures	307,833	322,341
Machinery, equipment and vehicles	745,760	808,964
Tools, furniture and fixtures	61,333	65,004
Land	68,285	71,754
Construction in progress	59,279	71,017
Other	8,780	9,298
Accumulated depreciation	-887,501	-943,569
Total property, plant and equipment	363,771	404,811
Intangible assets		
Goodwill	497	347
Other	5,225	7,413
Total intangible assets	5,722	7,761
Investments and other assets		
Investment securities	76,976	376,900
Retirement benefit asset	1,875	1,943
Deferred tax assets	7,663	8,223
Other	13,788	15,050
Allowance for doubtful accounts	-494	-632
Total investments and other assets	99,810	401,486
Total non-current assets	469,303	814,059
Total assets	1,123,283	1,450,704

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,157	16,839
Electronically recorded obligations - operating	4,112	3,407
Accounts payable - other	54,086	42,743
Income taxes payable	21,353	14,832
Short-term borrowings	—	300,000
Other	36,196	36,256
Total current liabilities	131,907	414,079
Non-current liabilities		
Bonds payable	40,336	40,236
Deferred tax liabilities	22,539	25,276
Retirement benefit liability	10,819	11,525
Other	2,215	4,270
Total non-current liabilities	75,910	81,308
Total liabilities	207,817	495,388
Net assets		
Shareholders' equity		
Share capital	86,969	86,969
Capital surplus	102,416	102,433
Retained earnings	721,151	748,642
Treasury shares	-39,880	-59,855
Total shareholders' equity	870,656	878,190
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,007	34,440
Foreign currency translation adjustment	12,149	43,902
Remeasurements of defined benefit plans	-1,901	-1,821
Total accumulated other comprehensive income	44,256	76,522
Non-controlling interests	552	603
Total net assets	915,465	955,316
Total liabilities and net assets	1,123,283	1,450,704

(2) Consolidated Quarterly Statement of Income and Consolidated Quarterly Statement of Comprehensive Income
 (Consolidated quarterly statement of income)
 (First six months of the year ending March 31, 2024)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	259,912	239,319
Cost of sales	160,999	159,155
Gross profit	98,912	80,164
Selling, general and administrative expenses	48,508	50,330
Operating profit	50,403	29,833
Non-operating income		
Interest income	1,234	2,741
Dividend income	524	468
Foreign exchange gains	17,934	10,734
Commission income	—	6,000
Other	930	445
Total non-operating income	20,623	20,389
Non-operating expenses		
Interest expenses	63	90
Loss on investments in investment partnerships	14	25
Settlement payments	15	—
Other	20	8
Total non-operating expenses	114	124
Ordinary profit	70,913	50,098
Extraordinary income		
Gain on sale of non-current assets	1,270	3,981
Total extraordinary income	1,270	3,981
Extraordinary losses		
Loss on sale of non-current assets	17	5
Loss on abandonment of non-current assets	90	156
Impairment losses	36	8
Loss on valuation of investment securities	318	—
Total extraordinary losses	462	169
Profit before income taxes	71,720	53,909
Income taxes - current	18,425	14,147
Income taxes - deferred	1,151	2,430
Total income taxes	19,577	16,578
Profit	52,143	37,330
Profit attributable to non-controlling interests	16	25
Profit attributable to owners of parent	52,126	37,305

(Consolidated quarterly statement of comprehensive income)
 (First six months of the year ending March 31, 2024)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	52,143	37,330
Other comprehensive income		
Valuation difference on available-for-sale securities	-4,991	432
Foreign currency translation adjustment	34,707	31,781
Remeasurements of defined benefit plans, net of tax	227	80
Total other comprehensive income	29,942	32,294
Comprehensive income	82,086	69,625
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	82,053	69,571
Comprehensive income attributable to non-controlling interests	32	54

(3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	71,720	53,909
Depreciation	24,851	31,465
Impairment losses	36	8
Increase (decrease) in allowance for doubtful accounts	8	145
Increase (decrease) in retirement benefit liability	243	497
Decrease (increase) in retirement benefit asset	47	93
Interest and dividend income	-1,758	-3,209
Commission income	—	-6,000
Foreign exchange losses (gains)	-7,008	-6,772
Loss (gain) on valuation of short-term and long-term investment securities	318	—
Loss (gain) on sale of non-current assets	-1,252	-3,976
Decrease (increase) in trade receivables	-7,129	7,953
Decrease (increase) in inventories	-15,018	-11,828
Increase (decrease) in trade payables	-5,400	-3,066
Increase (decrease) in accounts payable - other	-561	-1,860
Other, net	2,458	915
Subtotal	61,554	58,274
Interest and dividends received	1,554	3,515
Interest paid	-4	-15
Income taxes refund (paid)	-11,159	-18,872
Net cash provided by (used in) operating activities	51,945	42,901
Cash flows from investing activities		
Decrease (increase) in time deposits	-13,076	12,860
Purchase of short-term and long-term investment securities	-1,829	-300,199
Proceeds from sale and redemption of short-term and long-term investment securities	6,847	4,678
Purchase of property, plant and equipment	-51,149	-71,668
Proceeds from sale of property, plant and equipment	2,116	4,496
Other, net	-1,154	-1,070
Net cash provided by (used in) investing activities	-58,245	-350,903
Cash flows from financing activities		
Purchase of treasury shares	-1	-20,002
Dividends paid	-10,795	-9,814
Increase (decrease) in short-term borrowings	—	300,000
Commission income received	—	6,000
Other, net	-826	-786
Net cash provided by (used in) financing activities	-11,624	275,395
Effect of exchange rate change on cash and cash equivalents	15,888	14,728
Net increase (decrease) in cash and cash equivalents	-2,035	-17,877
Cash and cash equivalents at beginning of period	295,223	294,254
Cash and cash equivalents at end of period	293,187	276,376

(4) Notes on Consolidated Quarterly Financial Statement

(Note on going concern)

No applicable items

(Note in case of significant change in amount of shareholders' equity)

The Company purchased 6,641,200 shares of treasury stock in accordance with the resolution of the Board of the Directors' meeting held on November 1, 2022. As a result, treasury stock increased by 19,999 million yen during the first six months of the year ending March 31, 2024.

In addition, the Company implemented a four-for-one common stock split, effective October 1, 2023. The number of shares shown above is the number after the stock split.

(Application of Special Accounting for Preparing Quarterly Consolidated Financial Statement)

(Change in calculation method for tax expenses)

Tax expenses of the Company and its domestic consolidated subsidiaries are calculated by multiplying quarterly income before income taxes by an effective tax rate. This tax rate is reasonably estimated after applying the deferred tax accounting to the income before income taxes for the consolidated fiscal year including this second quarter.

(Changes in Accounting Policies)

(Change in calculation method for tax expenses)

The Company and its domestic consolidated subsidiaries had previously been using fundamental methods for calculating tax expenses. However, in order to further streamline work involved in preparing the quarterly financial statements, the Company and its domestic consolidated subsidiaries have changed the method used in this regard. Accordingly, beginning in the first quarter of the year ending March 31, 2024, the methods for calculating tax expenses is to the method of rationally estimating their annual effective tax rate after the application of the deferred tax accounting to the annual income before income taxes and multiplying quarterly income before income taxes by reasonably estimated annual effective tax rate.

As this change in accounting policy has an immaterial impact on earnings, it has not been retroactively applied.

(Segment information)

I First six months of the year ended March 31, 2023 (From April 1, 2022 to September 30, 2022)

Information on net sales, profits or losses by individual reportable segments and breakdown of revenues

(Millions of yen)

	Reportable Segments				Others (Note 1)	Total	Adjusted amount (Note 2)	Amount on consolidated quarterly statement of income (Note 3)
	ICs	Discrete semiconductor devices	Modules	Total				
Sales								
Japan	39,704	28,368	3,820	71,893	2,284	74,177	—	74,177
Asia	67,816	61,889	12,090	141,795	9,284	151,080	—	151,080
Americas	5,282	5,643	851	11,776	2,012	13,789	—	13,789
Europe	4,215	13,614	1,475	19,305	1,559	20,864	—	20,864
Revenues from contracts with customers	117,018	109,515	18,237	244,771	15,140	259,912	—	259,912
Other revenues	—	—	—	—	—	—	—	—
Sales								
Sales to customers	117,018	109,515	18,237	244,771	15,140	259,912	—	259,912
Inter-segment sales or transfer	1,449	1,782	—	3,232	25	3,258	-3,258	—
Total	118,468	111,298	18,237	248,003	15,166	263,170	-3,258	259,912
Segment profit	25,797	18,945	2,848	47,590	3,080	50,671	-268	50,403

(Note) 1. "Others" is an operational segment that is not included in reportable segments, consisting of business in resistors and tantalum capacitors.

2. The adjusted amount of the segment profit, -268 million yen, mainly includes general administrative expenses of -551 million yen that do not attribute to the segment and the settlement adjusted amount of 283 million yen, which is not allocated to the segment (such as adjustment for retirement benefits).

3. For segment profits, adjustments are made using the operating profit of the consolidated quarterly statement of income.

II First six months of the year ending March 31, 2024 (From April 1, 2023 to September 30, 2023)
Information on net sales, profits or losses by individual reportable segments and breakdown of revenues

(Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjusted amount (Note 2)	Amount on consolidate quarterly statement of income (Note 3)
	ICs	Discrete semiconductor devices	Modules	Total				
Sales								
Japan	43,143	29,248	3,895	76,287	1,948	78,236	—	78,236
Asia	54,451	52,846	10,890	118,188	6,190	124,378	—	124,378
Americas	5,446	5,756	662	11,865	3,035	14,901	—	14,901
Europe	4,315	14,198	1,477	19,991	1,812	21,803	—	21,803
Revenues from contracts with customers	107,357	102,050	16,925	226,332	12,986	239,319	—	239,319
Other revenues	—	—	—	—	—	—	—	—
Sales								
Sales to customers	107,357	102,050	16,925	226,332	12,986	239,319	—	239,319
Inter-segment sales or transfer	875	2,030	16	2,922	32	2,954	-2,954	—
Total	108,232	104,080	16,942	229,255	13,018	242,274	-2,954	239,319
Segment profit	12,229	13,008	1,935	27,173	1,245	28,419	1,414	29,833

(Note) 1. "Others" is an operational segment that is not included in reportable segments, consisting of business in resistors.

2. The adjusted amount of the segment profit, 1,414 million yen, mainly includes general administrative expenses of -87 million yen that do not attribute to the segment and the settlement adjusted amount of 1,502 million yen, which is not allocated to the segment (such as adjustment for retirement benefits).

3. For segment profits, adjustments are made using the operating profit of the consolidated quarterly statement of income.