

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen —	Yen 25.00	Yen —	Yen 25.00	Yen 50.00
Fiscal year ending March 31, 2024	—	25.00	—		
Fiscal year ending March 31, 2024 (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, 2024 (April 1, 2023 - March 31, 2024)

(% 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 225,000	% (4.6)	Million yen 14,000	% (20.3)	Million yen 15,000	% (21.5)	Million yen 11,500	% (21.4)	Yen 126.14

(Note) Revision to the financial results forecast announced most recently: None

*** 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 6 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, 2023:	92,302,608 shares
March 31, 2023:	92,302,608 shares
 - 2) Total number of treasury shares at the end of the period:

December 31, 2023:	1,114,495 shares
March 31, 2023:	1,202,097 shares
 - 3) Average number of shares during the period:

Nine months ended December 31, 2023:	91,159,060 shares
Nine months ended December 31, 2022:	91,045,904 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 2 of the Attachments for the assumptions underlying the financial results forecasts and precautions when using the forecasts.

We will post the supplementary explanatory materials on quarterly financial results on our website.

Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results	2
(1) Explanation of Operating Results	2
(2) Explanation of Financial Position	2
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information	2
2. Quarterly Consolidated Financial Statements and Principal Notes	3
(1) Quarterly Consolidated Balance Sheets	3
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	5
(3) Notes to Quarterly Consolidated Financial Statements	6
(Notes on going concern assumption)	6
(Notes in case of significant changes in shareholders' equity)	6
(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)	6
(Segment information, etc.)	7

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

The world economy during the nine months ended December 31, 2023 saw the United States economy remain strong despite the effects of monetary tightening, while the Chinese economy continued to lack strength.

Meanwhile, the Japanese economy experienced a gradual recovery supported by service consumption and inbound demand on the back of wage increases, in spite of continuously rising prices. In addition, the trend of yen depreciation, which had continued since the beginning of the period, was partially corrected, as expectations grew toward the end of the period that the Bank of Japan would change its policy and the U.S. would cut its interest rate.

In the electronics market relevant to the Group, the automotive market performed robustly thanks to the reduction in semiconductor shortages. However, demand remained sluggish in the mobile device market, and the industrial market experienced further slowdown due to adjustments in the receipt of orders that had continued since the latter half of the previous fiscal year, as well as a decrease in capital investment in China.

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

Nevertheless, affected by such factors as lower factory utilization that arose from stagnant demand in the mobile device and industrial markets that we focus on, for the results for the nine months ended December 31, 2023, the Group recorded net sales totaling ¥171,350 million (93% compared to the corresponding period of the previous year). On the profit side, we posted operating profit totaling ¥11,499 million (71% compared to the corresponding period of the previous year), ordinary profit totaling ¥12,377 million (70% compared to the corresponding period of the previous year), and profit attributable to owners of parent totaling ¥10,777 million (80% compared to the corresponding period of the previous year), due to the recording of extraordinary income from the sale of a portion of land owned by JAE Oregon, Inc., our consolidated subsidiary in the U.S.

(2) Explanation of Financial Position

Total assets at the end of the nine months ended December 31, 2023 amounted to ¥233,553 million, marking an increase of ¥6,927 million from the end of the consolidated fiscal year ended March 31, 2023, despite a decrease in assets due to the collection of trade receivables. The increase was attributable mainly to an increase in cash and deposits as well as an increase in property, plant and equipment in our flagship Connector Business, arising from the expansion of a factory by our subsidiary (JAE Yamagata, Ltd.), which serves as our domestic producer, in order to increase the output of products for electric vehicles (EVs) whose market is expected to expand.

Total liabilities amounted to ¥52,540 million, marking a decrease of ¥2,801 million from the end of the consolidated fiscal year ended March 31, 2023, mainly due to the scheduled payment of borrowings.

Net assets amounted to ¥181,013 million, marking an increase of ¥9,728 million from the end of the consolidated fiscal year ended March 31, 2023, mainly due to the recording of profit attributable to owners of parent and foreign currency translation adjustments increased due to the effect of yen depreciation in translating non-consolidated balance sheets of overseas subsidiaries.

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

The consolidated financial results forecast for the fiscal year ending March 31, 2024 (for the full year) and the year-end dividend forecast remain unchanged from the figures announced on October 27, 2023 and April 27, 2023, respectively.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	63,025	69,756
Notes and accounts receivable - trade	43,017	40,033
Inventories	28,562	29,391
Other	6,814	6,608
Allowance for doubtful accounts	(45)	(150)
Total current assets	141,375	145,639
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	24,708	27,568
Machinery, equipment and vehicles, net	18,938	20,676
Tools, furniture and fixtures, net	8,947	8,961
Land	6,840	6,791
Construction in progress	12,040	8,475
Total property, plant and equipment	71,474	72,473
Intangible assets	2,656	2,678
Investments and other assets		
Deferred tax assets	3,438	3,418
Other	7,810	9,474
Allowance for doubtful accounts	(129)	(129)
Total investments and other assets	11,119	12,762
Total non-current assets	85,251	87,914
Total assets	226,626	233,553

(Million yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	28,842	29,828
Short-term borrowings	7,302	4,641
Income taxes payable	1,906	1,510
Provision for bonuses for directors (and other officers)	110	70
Other	12,473	13,044
Total current liabilities	50,634	49,095
Non-current liabilities		
Long-term borrowings	2,500	1,250
Retirement benefit liability	520	485
Other	1,686	1,710
Total non-current liabilities	4,707	3,445
Total liabilities	55,341	52,540
Net assets		
Shareholders' equity		
Share capital	10,690	10,690
Capital surplus	14,740	14,873
Retained earnings	136,791	143,011
Treasury shares	(916)	(850)
Total shareholders' equity	161,305	167,725
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,000	1,541
Foreign currency translation adjustment	8,196	11,035
Remeasurements of defined benefit plans	658	594
Total accumulated other comprehensive income	9,855	13,171
Share acquisition rights	123	115
Total net assets	171,284	181,013
Total liabilities and net assets	226,626	233,553

(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, 2022	For the nine months ended December 31, 2023
Net sales	183,762	171,350
Cost of sales	148,764	140,766
Gross profit	34,998	30,584
Selling, general and administrative expenses	18,813	19,085
Operating profit	16,185	11,499
Non-operating income		
Interest income	65	247
Dividend income	122	146
Foreign exchange gains	1,684	831
Subsidy income	–	400
Other	217	229
Total non-operating income	2,089	1,856
Non-operating expenses		
Interest expenses	62	41
Loss on retirement of non-current assets	400	329
Loss on tax purpose reduction entry of non-current assets	–	400
Other	42	206
Total non-operating expenses	505	978
Ordinary profit	17,769	12,377
Extraordinary income		
Gain on sale of non-current assets	–	1,630
Total extraordinary income	–	1,630
Profit before income taxes	17,769	14,007
Income taxes – current	4,282	3,309
Income taxes – deferred	62	(78)
Total income taxes	4,345	3,230
Profit	13,424	10,777
Profit attributable to owners of parent	13,424	10,777

Quarterly Consolidated Statements of Comprehensive Income
Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	13,424	10,777
Other comprehensive income		
Valuation difference on available-for-sale securities	7	541
Foreign currency translation adjustment	2,164	2,839
Remeasurements of defined benefit plans, net of tax	(111)	(64)
Total other comprehensive income	2,060	3,316
Comprehensive income	15,484	14,093
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,484	14,093
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, 2024, 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, 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.

For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

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	60,064	–	–	–	60,064	–	60,064
Automotive	74,006	3,630	857	–	78,493	–	78,493
Industrial and infrastructure	11,719	3,969	10,055	–	25,744	–	25,744
Others	3,320	–	3,140	587	7,048	–	7,048
Revenue from contracts with customers	149,110	7,599	14,053	587	171,350	–	171,350
Total	149,110	7,599	14,053	587	171,350	–	171,350
Segment income (Note 1)	12,248	373	2,677	81	15,380	(3,881)	11,499

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥3,881 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.