

Note: 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.

August 1, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Aoi Electronics Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 6832
 URL: <https://www.aoi-electronics.co.jp/>
 Representative: Kazuhiro Kinoshita, President
 Inquiries: Ryoji Aoki, Director, General Manager of Administration Div.
 Telephone: +81-87-882-1131
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	9,317	8.8	223	(38.2)	253	(42.0)	203	(51.2)
June 30, 2024	8,566	2.9	361	–	436	–	416	–

Note: Comprehensive income For the three months ended June 30, 2025: ¥198 million [(53.2)%]
 For the three months ended June 30, 2024: ¥425 million [–%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	18.16	–
June 30, 2024	37.22	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	51,201	42,789	83.6	3,820.86
March 31, 2025	51,592	42,915	83.2	3,832.10

Reference: Equity As of June 30, 2025: ¥42,789 million
 As of March 31, 2025: ¥42,915 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	25.00	—	29.00	54.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		25.00	—	29.00	54.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	19,200	8.8	400	(25.8)	400	(25.6)	360	(24.9)	32.15
Full year	38,800	10.9	500	13.9	500	19.3	450	152.7	40.18

Note: Revisions to the financial results forecast most recently announced: Yes

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	12,000,000 shares
As of March 31, 2025	12,000,000 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2025	801,033 shares
As of March 31, 2025	801,033 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	11,198,967 shares
Three months ended June 30, 2024	11,199,025 shares

- * Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

- * Proper use of earnings forecasts, and other special matters

Although the financial results forecast was calculated based on information currently available as of the announcement date of these materials, a considerable number of uncertain factors are also included. Please understand that actual financial results may differ significantly from the forecasts presented in these materials due to changes to business conditions, etc.

Means of access to supplementary material on financial results

The supplementary material on financial results will be available on the Company's website.

Attached Materials

Index

1. Summary of operating results, etc.	2
(1) Operating results during the period under review	2
(2) Financial position during the period under review	2
(3) Explanation of consolidated financial results forecast and other forward-looking statements	2
2. Quarterly consolidated financial statements and significant notes thereto	4
(1) Quarterly consolidated balance sheets.....	4
(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income	6
Quarterly consolidated statements of income	6
Quarterly consolidated statements of comprehensive income	7
(3) Notes to quarterly consolidated financial statements	8
Notes on premise of going concern	8
Notes on significant changes in the amount of shareholders' equity	8
Application of accounting treatment specific to the preparation of quarterly consolidated financial statements	8
Changes in accounting policies.....	8
Changes in accounting estimates	8
Additional information	8
Notes to quarterly consolidated statements of cash flows	8
Notes to segment information, etc.	8
Significant events after reporting period.....	9

1. Summary of operating results, etc.

(1) Operating results during the period under review

During the three months ended June 30, 2025, the Japanese economy maintained its track of moderate recovery against the backdrop of an improved employment and personal income environment and corporate capital investment. On the other hand, the economic outlook remains uncertain and challenging, as prices remain high due to the unstable international situation with increasing tensions and the soaring prices of energy and raw materials, and some economic activities remain stagnant. Overseas, while the U.S. economy has underlying strength, inflationary pressures and policy uncertainty persisted, and a cautious view of the outlook prevailed. In China, while recovery in manufacturing, real estate, and personal consumption has remained limited, the government is accelerating investment in advanced technology fields, including semiconductors, to stabilize the economy and upgrade the industrial structure, and is ramping up policy measures aimed at structural transformation. Under these circumstances, the outlook for the global economy has become even more uncertain due to the complex interplay of many uncertain factors, including the direction of monetary policies in major countries, heightened geopolitical risks, and energy price fluctuations.

In the electronic components industry, to which the Group belongs, although the market environment has improved for some products, following a recovery after a demand slump caused by worsening market conditions, a full-scale recovery is yet to occur as there are observed discrepancies in the supply/demand balance and the status of inventory adjustments in each market, mainly due to the impact of a lack of strength in the recovery of demand for components for industrial equipment as well as stagnation in the demand for automotive components caused by a slowdown in the growth of the electric vehicle (EV) market.

Amid these circumstances, for the three months ended June 30, 2025, consolidated net sales totaled ¥9,317 million (increase of ¥751 million (+8.8%) year on year) due to a recovery in demand for components for consumer devices, operating profit totaled ¥223 million (decrease of ¥137 million (−38.2%) year on year) due to soaring prices of raw materials, upfront investments for launching new businesses such as advanced packaging, increased research and development expenses and other factors, ordinary profit totaled ¥253 million (decrease of ¥183 million (−42.0%) year on year), and profit attributable to owners of parent totaled ¥203 million (decrease of ¥213 million (−51.2%) year on year).

With regard to the Group's net sales by category, integrated circuits recorded ¥8,191 million (increase of ¥663 million (+8.8%) year on year) due to an increase in orders for components for mobile information devices and consumer devices. Sales of functional components totaled ¥1,124 million (increase of ¥90 million (+8.7%) year on year) due to the progress in inventory adjustments for thermal print heads.

(2) Financial position during the period under review

Assets as of June 30, 2025 totaled ¥51,201 million (decrease of ¥391 million from the end of the previous fiscal year) mainly due to a decrease in cash and deposits, despite increases in raw materials and supplies, and construction in progress. Liabilities totaled ¥8,411 million (decrease of ¥265 million from the end of the previous fiscal year) mainly due to a decrease in provision for bonuses. As a result, net assets totaled ¥42,789 million (decrease of ¥125 million from the end of the previous fiscal year), and the equity-to-asset ratio was 83.6%.

(3) Explanation of consolidated financial results forecast and other forward-looking statements

We have revised our consolidated financial results forecast for the six months ending September 30, 2026. For details, please refer to the “Notice of Revision of Financial Results Forecast” released today (August 1, 2025).

Regarding the full-year consolidated financial results forecast, although no changes have been made at this point, the Company is reviewing various factors concerning the business environment due to the

possibility of significant changes in the financial results arising from trends of the global economy, market trends, etc. If modifications are necessary, the Company will announce them promptly.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Quarterly consolidated balance sheets

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	17,701,231	14,506,244
Notes and accounts receivable - trade	6,864,429	7,105,966
Electronically recorded monetary claims - operating	2,055,138	2,231,097
Securities	3,000,000	3,000,000
Merchandise and finished goods	65,283	65,104
Work in process	1,061,575	1,229,983
Raw materials and supplies	1,832,290	3,312,996
Prepaid expenses	103,430	135,263
Other	745,863	705,487
Total current assets	33,429,242	32,292,143
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,711,628	23,731,893
Accumulated depreciation and impairment	(17,782,736)	(17,971,511)
Buildings and structures, net	5,928,892	5,760,382
Machinery, equipment and vehicles	46,277,009	46,119,843
Accumulated depreciation and impairment	(44,288,442)	(44,152,239)
Machinery, equipment and vehicles, net	1,988,566	1,967,603
Tools, furniture and fixtures	8,738,502	8,620,399
Accumulated depreciation and impairment	(8,538,010)	(8,432,177)
Tools, furniture and fixtures, net	200,492	188,222
Land	3,453,102	3,453,102
Leased assets	266,050	236,250
Accumulated depreciation and impairment	(161,509)	(142,092)
Leased assets, net	104,541	94,157
Construction in progress	1,352,245	2,297,905
Total property, plant and equipment	13,027,841	13,761,374
Intangible assets	124,387	132,251
Investments and other assets		
Investment securities	2,951,046	2,948,677
Retirement benefit asset	1,793,285	1,808,057
Deferred tax assets	90,666	82,949
Other	176,189	176,038
Total investments and other assets	5,011,188	5,015,723
Total non-current assets	18,163,417	18,909,348
Total assets	51,592,659	51,201,491

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,924,254	1,948,086
Electronically recorded obligations - operating	802,971	811,493
Short-term borrowings	1,180,000	1,190,000
Current portion of long-term borrowings	167,685	142,686
Lease liabilities	40,353	36,604
Accounts payable - other	2,056,896	2,022,168
Income taxes payable	92,728	35,211
Provision for bonuses	674,471	168,550
Other	711,911	763,788
Total current liabilities	7,651,274	7,118,589
Non-current liabilities		
Long-term borrowings	306,500	275,000
Lease liabilities	70,057	61,405
Deferred tax liabilities	556,347	563,414
Retirement benefit liability	31,371	31,775
Asset retirement obligations	28,039	28,076
Other	33,510	333,510
Total non-current liabilities	1,025,826	1,293,182
Total liabilities	8,677,100	8,411,772
Net assets		
Shareholders' equity		
Share capital	4,545,500	4,545,500
Capital surplus	5,790,950	5,790,950
Retained earnings	33,410,113	33,288,766
Treasury shares	(1,961,370)	(1,961,370)
Total shareholders' equity	41,785,193	41,663,846
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	305,972	317,475
Remeasurements of defined benefit plans	824,394	808,397
Total accumulated other comprehensive income	1,130,366	1,125,873
Total net assets	42,915,559	42,789,719
Total liabilities and net assets	51,592,659	51,201,491

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income
Quarterly consolidated statements of income

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	8,566,081	9,317,267
Cost of sales	7,132,125	7,725,742
Gross profit	1,433,956	1,591,525
Selling, general and administrative expenses	1,072,577	1,368,076
Operating profit	361,378	223,449
Non-operating income		
Interest income	809	13,144
Dividend income	8,349	11,755
Foreign exchange gains	41,981	—
Rental income	8,180	6,105
Compensation income	696	13,820
Technical support fee income	1,519	25,600
Share of profit of entities accounted for using equity method	923	—
Other	30,929	16,183
Total non-operating income	93,391	86,609
Non-operating expenses		
Interest expenses	1,288	4,397
Foreign exchange losses	—	20,110
Compensation expenses	4,509	4,172
Depreciation of assets for rent	7,613	8,519
Share of loss of entities accounted for using equity method	—	13,457
Other	4,615	5,951
Total non-operating expenses	18,027	56,610
Ordinary profit	436,742	253,448
Extraordinary income		
Gain on sale of non-current assets	282	494
Total extraordinary income	282	494
Extraordinary losses		
Loss on retirement of non-current assets	134	28,155
Total extraordinary losses	134	28,155
Profit before income taxes	436,890	225,787
Income taxes - current	2,493	5,797
Income taxes - deferred	17,605	16,566
Total income taxes	20,099	22,364
Profit	416,790	203,423
Profit attributable to owners of parent	416,790	203,423

Quarterly consolidated statements of comprehensive income

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	416,790	203,423
Other comprehensive income		
Valuation difference on available-for-sale securities	26,408	11,503
Remeasurements of defined benefit plans, net of tax	(17,983)	(15,996)
Total other comprehensive income	8,424	(4,492)
Comprehensive income	425,215	198,930
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	425,215	198,930
Comprehensive income attributable to non-controlling interests	—	—

(3)Notes to quarterly consolidated financial statements

Notes on premise of going concern

Not applicable

Notes on significant changes in the amount of shareholders' equity

Not applicable

Application of accounting treatment specific to the preparation of quarterly consolidated financial statements

Not applicable

Changes in accounting policies

Not applicable

Changes in accounting estimates

Not applicable

Additional information

Not applicable

Notes to quarterly consolidated statements of cash flows

Quarterly consolidated statements of cash flows for the three months ended June 30, 2025 is not prepared. Depreciation (including amortization related to intangible assets) for the three months ended June 30, 2024 and 2025 are as follows.

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	310,478	473,927

Notes to segment information, etc.

Segment information

The three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024) and the three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

The Group consists of a single operating segment, of which business activities are manufacturing and selling electric and electronic components, and the entire Group formulates comprehensive business strategies and conducts business activities. Accordingly, segment information has been omitted.

Significant events after reporting period

The Company has entered into a sales contract with Sharp Corporation (hereinafter referred to as “Sharp”) for Sharp Mie Plant No. 2 and the land.

1. Outline of the sale contract at Sharp Mie Plant No. 2

(1) Conclusion date	July 31, 2025
(2) Date of completion of delivery	July 31, 2025
(3) Location	Taki-machi, Taki-gun, Mie Prefecture
(4) Total floor area	About 54,000 square meters
(5) Production area	About 20,000 square meters

2. Outline of the sale contract on land

(1) Conclusion date	July 31, 2025
(2) Date of completion of delivery	December 31, 2025 (planned)
(3) Location	Taki-machi, Taki-gun, Mie Prefecture
(4) Area	About 58,000 square meters (part of the land of Sharp Mie Plant)

3. Utilization Method of Mie Plant

By acquiring the second plant in addition to the first plant we already have, we will strengthen our ability to respond to new businesses, including the Advanced Packaging Business, with the aim of quickly launching a production line. At the same time, we will further accelerate the installation of necessary dedicated equipment and strengthening of our human resources structure, aiming to start full-scale operations in fiscal year 2027.

Going forward, by organically linking and optimizing the functions of both plants, we will aim to expand production capacity, streamline processes, and strengthen our supply system, thereby building a flexible and efficient production system that will enable us to respond more quickly to changes in market needs.