



Financial Results for Q1 FY2022

August 5, 2022

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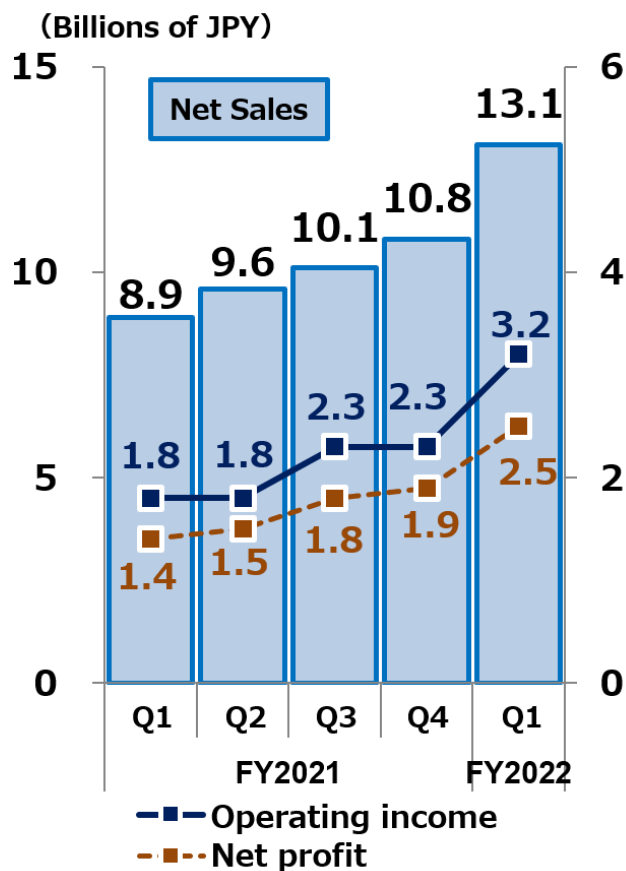
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Abbreviations Used in This Presentation

Business Segment	Abbreviation
Test Solution Business	TS Business
Connector Solution Business	CS Business
Optical-Related Business	OPT Business

Results

Powered by favorable conditions in the semiconductor market, we achieved our highest quarterly net sales and profits ever.



(Billions of JPY)	Q1 FY2021 results	Q1 FY2022 results	YoY increase (amount)	YoY increase (%)
Net sales	8.9	13.1	4.2	48.1%
Operating income	1.8	3.2	1.4	78.8%
Ordinary income	1.8	3.6	1.8	98.7%
Net profit	1.4	2.5	1.1	79.1%
EPS (JPY)	67.59	122.69	55.10	----
BPS (JPY)	1223.1	1591.14	368.04	----

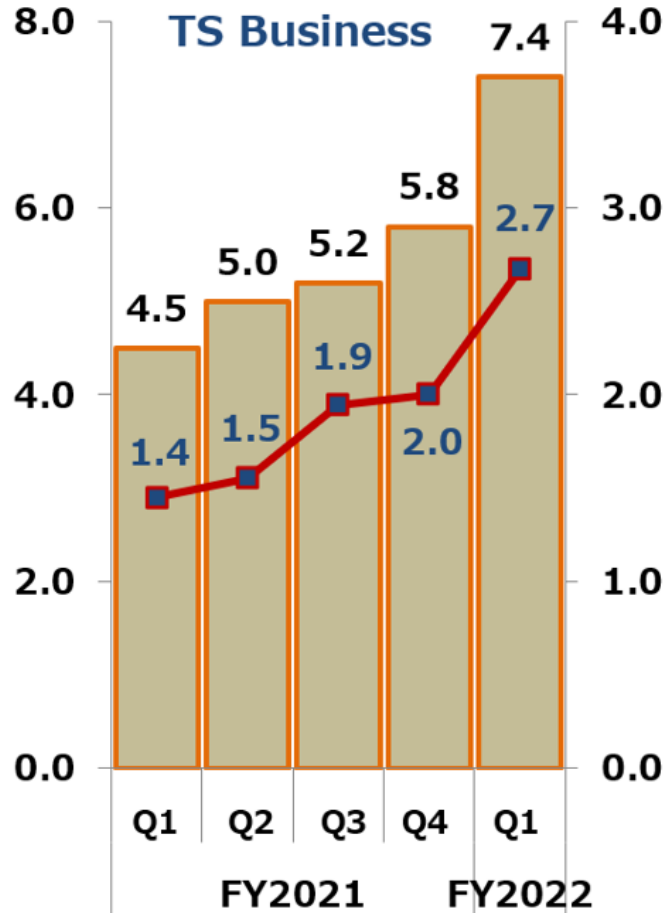
Forex Rate	Q1 FY2021	Q1 FY2022	YoY Change
USD (JPY)	109.49	129.57	20.08
EUR (JPY)	131.96	138.05	6.09

Results by Business

(Billions of JPY)		Q1 FY2021 results	Q1 FY2022 results	YoY increase (amount)	YoY increase (%)
TS Business	Sales	4.5	7.4	2.8	63.2%
	Operating income	1.4	2.6	1.2	83.4%
CS Business	Sales	3.9	5.2	1.2	32.0%
	Operating income	0.2	0.4	0.1	44.6%
OPT Business	Sales	0.3	0.5	0.1	37.4%
	Operating income	0.0	0.0	0.0	77.4%
Others	Operating income (consolidated adjustment)	(0.0)	0.0	0.0	----
Total	Net sales	8.9	13.1	4.2	48.1%
	Operating income	1.8	3.2	1.4	78.8%

TS Business Results

(Billions of JPY)

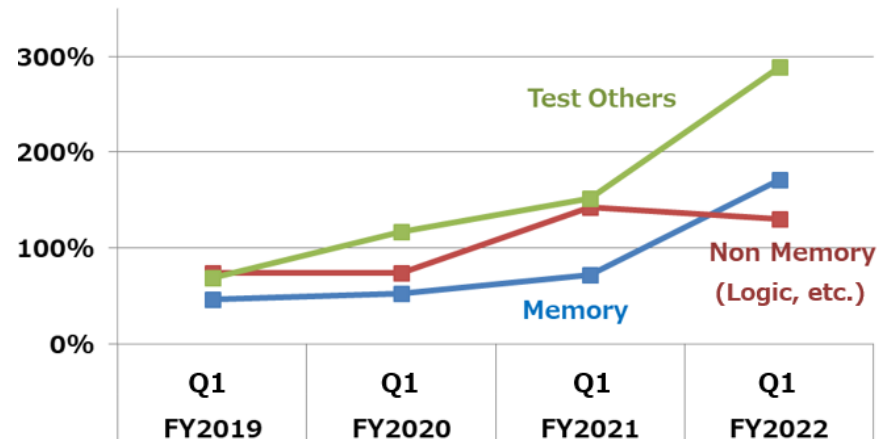


■ Sales ■ Operating income

TS Business	YoY increase (billions of JPY)	YoY increase (%)
Sales	+2.8	63.2%
Operating income	+1.2	83.4%

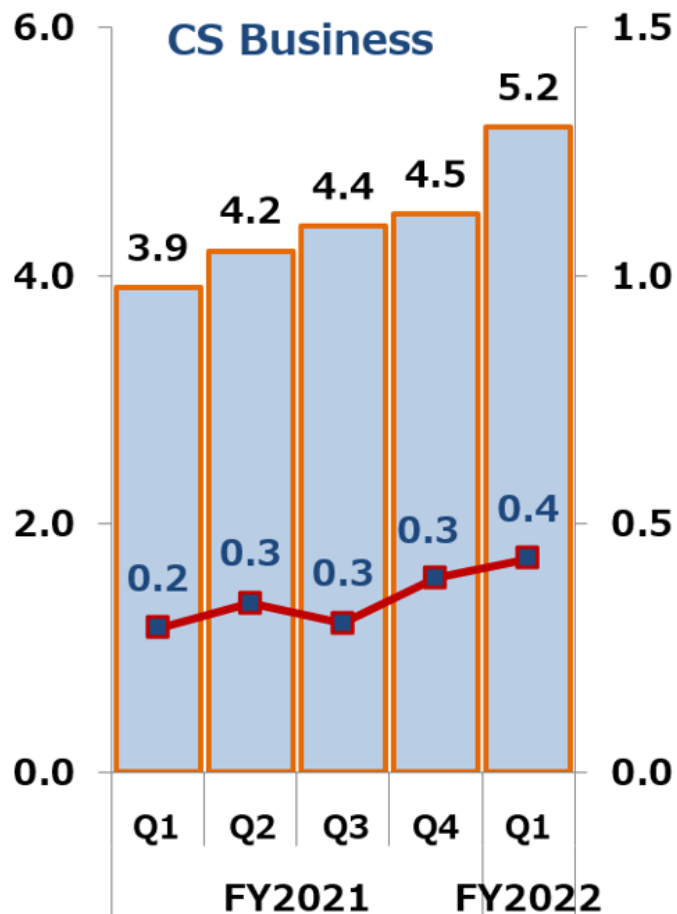
- ◆ In the test sockets category, we observed steady performance from products for smartphones, automobiles, and PC servers.
- ◆ Under the sockets for memory semiconductor category, sales generated through new products with NAND- and DRAM-related applications were robust.
- ◆ Within the logic semiconductor sockets product group, we booked strong sales through products for in-vehicle ADAS/MCUs and products for PC and servers.

Indexed to Q1 FY2018 = 100%



CS Business Results

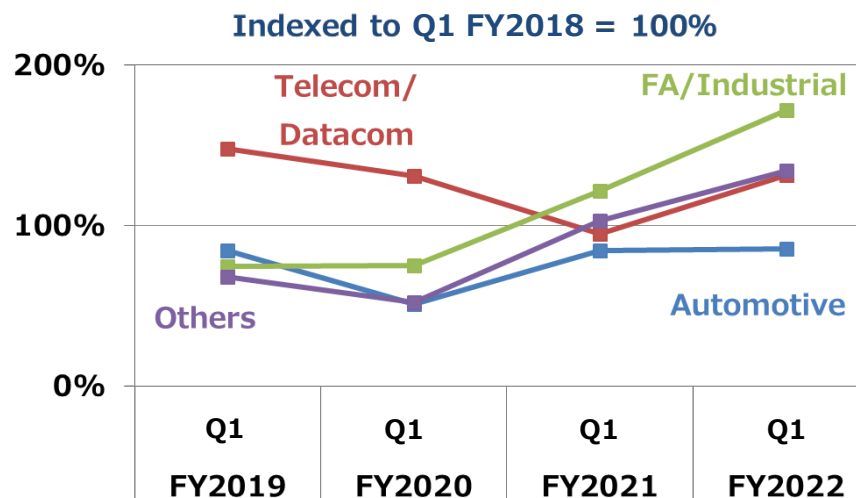
(Billions of JPY)



■ Sales ■ Operating income

CS Business	YoY increase (billions of JPY)	YoY increase (%)
Sales	+1.2	32.0%
Operating income	+0.1	44.6%

- ◆ Products for industrial equipment continued to generate favorable performance in Europe due to recovery in demand.
- ◆ Despite ongoing impact from economic friction between the US and China, sales from products for telecommunications equipment grew thanks to expanding demand for high-speed, high-capacity transmission, particularly in the US.
- ◆ Performance from products for in-vehicle equipment remained level as the market continued to incur impact from semiconductor shortages.
- ◆ We incurred increases in both raw material and transportation costs, but improvements in productivity and quality minimized their impact.



Forex Impact on Results

Forex rate	Q1 FY2021	Q1 FY2022	YoY increase
USD (JPY)	109.49	129.57	+20.08
EUR (JPY)	131.96	138.05	+6.09

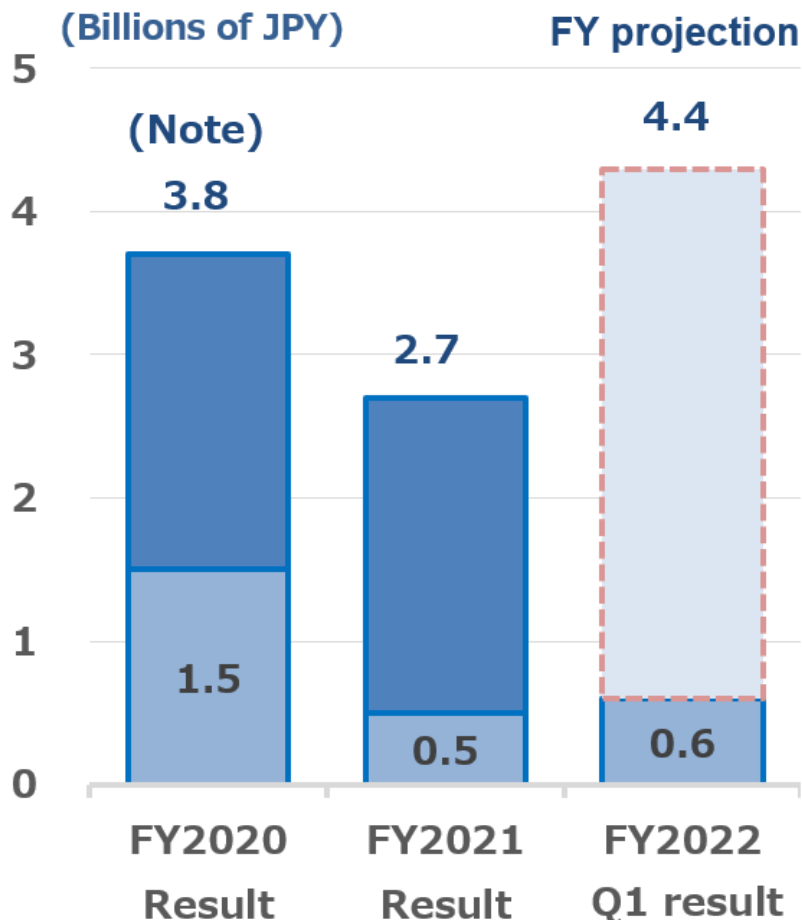


YoY Forex Impact	
Net sales	JPY 1.4 billion
Operating income	JPY 0.8 billion

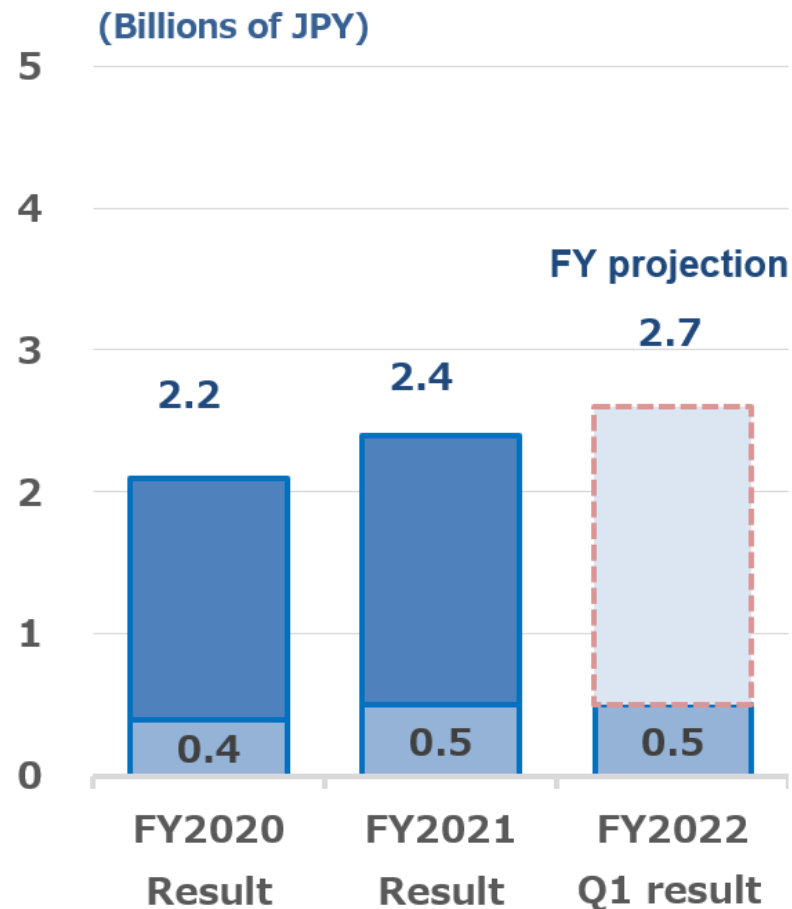
Forex sensitivity (JPY1/year)	Impact on net sales	Impact on operating income
USD	JPY 0.2 billion	JPY 0.1 billion
EUR	JPY 0.08 billion	JPY 0.01 billion

Capex and Depreciation

Capital Investment



Depreciation



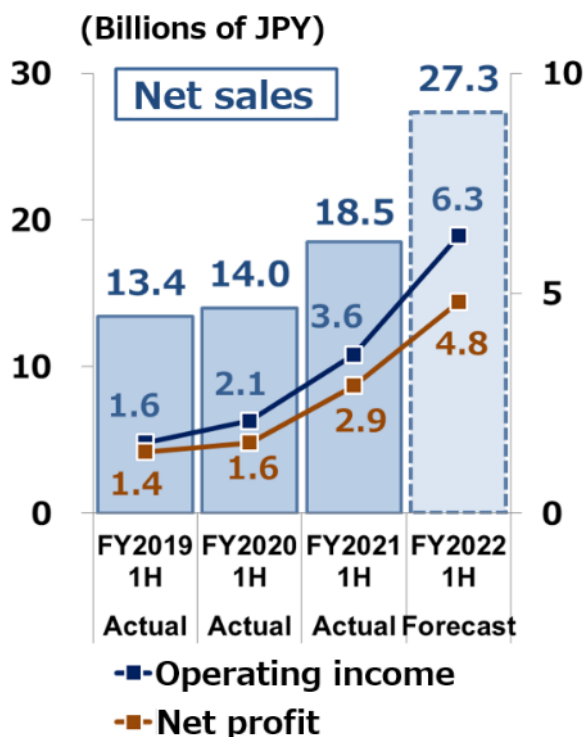
Note: The FY2020 capital investment figure includes around JPY1.4 billion for the relocation of a new factory in Germany and in investment in a solar power generation and storage system at Sakura Factory.

2. FY2022 Forecast

Revised Forecast for 1H and Full-Year FY2022

We revised our existing consolidated earnings forecast for 1H FY2022 (announced on May 13, 2022) based on expectations of ongoing strong demand associated with both the Test Solution Business and the Connector Solution Business.

At the same time, our surrounding economic and market environments have changed substantially, and we have accordingly determined that we need to review our projections for 2H FY2022 through a careful examination of overall business conditions that is guided by factors such as future customer production and fluctuations in foreign exchange rates. However, due to the prohibitive difficulty of formulating sound and rational projections at this time, we have decided to temporarily withdraw our consolidated earnings forecast for full-year FY2022 (announced on May 13, 2022) and refrain from making alternative projections until further notice.



(Billions of JPY)	FY2021 Actual		FY2022 Forecast					
	1H	Full year	Initial 1H forecast	Current 1H forecast	YoY increase	Initial full-year forecast	Current full-year forecast	YoY increase
Net sales	18.5	39.5	21.2	27.3	8.7	40.3	----	----
Operating income	3.6	8.3	4.3	6.3	2.6	7.4	----	----
Ordinary income	3.7	8.7	4.3	6.8	3.0	7.4	----	----
Net profit	2.9	6.7	3.1	4.8	1.8	5.4	----	----
EPS (JPY)	140.00	319.25	149.03	229.02	89.02	255.48	----	----
BPS (JPY)	1292.70	1499.07	----	----	----	----	----	----

Exchange Rate Assumption

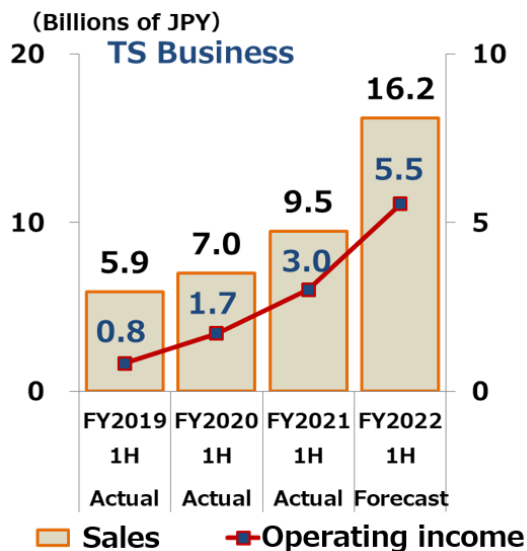
EX Rate	FY2021 1H	FY2022 1H	Year/Year Change
USD (JPY)	109.80	130.00	20.20
EUR (JPY)	130.90	135.00	4.10

2. FY2022 Forecast

Individual Segment Forecasts for 1H and Full-Year FY2022

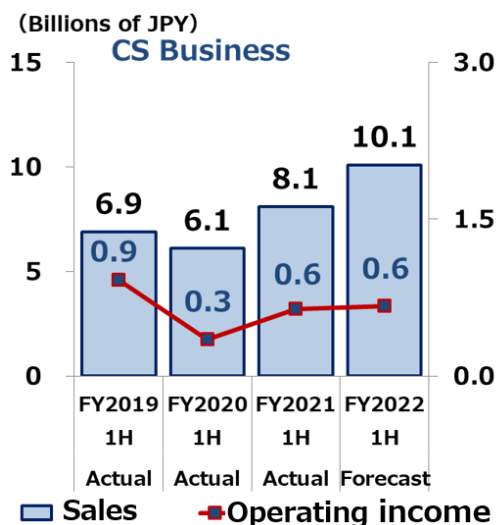
(Billions of JPY)		FY2021 Actual		FY2022 Forecast					
		1H	Full-year	Initial 1H forecast	Current 1H forecast	YoY Increase	Initial full-year forecast	Current full-year forecast	YoY Increase
TS Business	Sales	9.5	20.6	11.3	16.2	6.6	19.6	----	----
	Operating Income	3.0	6.9	3.5	5.5	2.5	5.3	----	----
CS Business	Sales	8.1	17.0	8.8	10.1	1.9	18.7	----	----
	Operating Income	0.6	1.3	0.6	0.6	0.0	1.8	----	----
OPT Business	Sales	0.7	1.7	1.0	0.9	0.1	1.9	----	----
	Operating Income	0.0	0.1	0.1	0.1	0.0	0.2	----	----
Others	Operating Income (Consolidated adjustment)	(0.0)	(0.1)	0.0	0.0	0.0	0.0	----	----
Total	Net Sales	18.5	39.5	21.2	27.3	8.7	40.3	----	----
	Operating Income	3.6	8.3	4.3	6.3	2.6	7.4	----	----

Individual Segment Forecasts for 1H FY2022



TS Business:

- ◆ In the test socket category, we anticipate a favorable showing from products for smartphones and products with applications in the telecommunications sector.
- ◆ With regard to the memory semiconductor sockets product group, we expect ongoing steady performance from new products with NAND- and DRAM-related applications.
- ◆ As for the logic semiconductor sockets category, we anticipate robust sales from both products for in-vehicle ADAS/MCUs and products for PCs and servers.



CS Business:

- ◆ We anticipate ongoing recovery in demand for, and steady performance from, our products for industrial equipment.
- ◆ Despite ongoing economic friction between the US and China, we expect strong results from products for telecommunications equipment particularly in the US, where demand for high-speed, large-capacity transmission is expanding.
- ◆ Semiconductor shortages are expected to gradually dissipate moving forward, and we accordingly project robust performance from products for in-vehicle equipment.
- ◆ We will minimize impact from increases in raw material and transportation costs through ongoing efforts targeting further improvements in productivity and quality.

3. Purchase of Treasury Shares

Purchase of Treasury Shares in Progress

Board of Directors' Resolution				Purchase of Treasury Shares (Based on agreements in place as of July 31, 2022)	
Resolution date	Maximum number of shares to be acquired	Maximum purchase price	Acquisition period (Based on date of agreement)	Number of shares acquired	Purchase price
May 27, 2022	400,000	JPY700,000,000	June 1, 2022 to September 30, 2022	375,700	JPY652,317,200

4. Dividends

Dividends in FY2022

We have made no changes to our existing interim dividend forecast of JPY35 per share.

In its medium-term management plan, the Group announced its target for a 30% dividend payout ratio and has maintained a ratio of 30% since FY2018. In accordance with this 30% target, we will adjust our annual dividend amount for FY2022 based on the net profit at the end of the fiscal year ending March 2023.

Thank you for your attention.

(Q2 FY2022 results are scheduled for release at 3:00 p.m. on Friday, November 4, 2022.)

Disclaimer

This material is intended to provide information on the Group's business, management strategies, and performance as of August 5, 2022, and is not intended as a solicitation to invest in securities issued by the Company.

The opinions and forecasts contained in this material are based on our judgments at the time of its preparation, and we do not guarantee or assure the accuracy or completeness of such information, which is subject to change without notice.

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