

# TAMURA CORPORATION

Financial Results for Q3 FY2024  
(April 1, 2024 to December 31, 2024)

SUSTAINABLE  
DEVELOPMENT GOALS

February 7, 2025

Notice: This document is a translation of the original Japanese document and is provided for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese document, the original Japanese version shall prevail.



# Agenda

Introduction -  
Progress of Recurrence Prevention Measures

1. Q3 FY2024 Financial Results
2. FY2024 Forecast
3. Overview of the 14<sup>th</sup> Medium-Term Management Plan
4. Summary

【Appendix】



Representative Director,  
President, CEO & CFO

**Masahiro Asada**

# Introduction

Sincerely apologize to all the stakeholders for the considerable concern and inconvenience caused by the inappropriate accounting treatment of purchased parts inventory at the two consolidated subsidiaries in China

Background	Findings	Impact
<ul style="list-style-type: none"> <li>● Implementing an internal rule to record inventory valuation losses according to holding periods.</li> <li>● In July 2024, internal monitoring identified potential non-compliance at Chinese subsidiary &amp; initiated an internal investigation.</li> <li>● In September 2024, due to indications of deliberate circumvention of the rule, established an external investigation team.</li> </ul>	<ul style="list-style-type: none"> <li>● The Chinese consolidated subsidiary intentionally avoided inventory valuation losses to adjust monthly profit and loss.</li> <li>● The Chinese consolidated subsidiary manipulated journal entries to adjust monthly profit and loss.</li> <li>● No such inappropriate accounting practices were identified at subsidiaries other than two Chinese consolidated subsidiaries.</li> </ul>	<ul style="list-style-type: none"> <li>● Impact up to FYE March 2024</li> <li>● Inventory accounting correction: 320 million yen</li> <li>● Profit adjustment correction: 10 million yen</li> <li>● The adjustments recorded as cost of sales in the Electronic Components segment in the H1 FY2024 consolidated financial statements, resulting in a profit reduction.</li> <li>● No correction made to past financial statements.</li> </ul>



For further details, please refer to the following document:

[Notice Regarding Receipt of Investigation Report from External Investigation Team](#) Published on November 24, 2024

# Recurrence Prevention Measures

The management will take the lead, and the entire company will work together to promptly implement the recurrence prevention measures. The Company will also strengthen the management of our global subsidiaries and reform our corporate culture to enhance governance and restore trust.

Key Measures	Key Initiatives	Progress
Ensuring awareness of compliance and proper accounting practices	Education and training on compliance, financial, accounting, and related areas	Education program under review (some training sessions initiated)
Strengthening subsidiary management systems	Enhancing monitoring and communication by headquarters	Preparing to establish an overseas subsidiary management and oversight department in April
Strengthening internal controls for two consolidated subsidiaries in China	Implementing process to prevent the identified inappropriate accounting practices	Independent evaluation completed; assessing the need for additional process
Expansion and dissemination of the internal reporting system	Improving and expanding to enhance convenience for overseas subsidiaries	Comparing and evaluating potential system models
Strengthening internal audit functions	Enhancing audit effectiveness by consolidating risk information within the internal audit department	Reviewing methods to enhance information consolidation

# **1. Q3 FY2024 FINANCIAL RESULTS**

**(APRIL 1, 2024 TO DECEMBER 31, 2024)**

# Q3 FY2024 Consolidated Profit Statement

- ◆ Sales increased due to strong demand of products for data centers and smartphones
- ◆ Operating profit remained flat due to the recording of past inventory valuation losses and rising labor costs
- ◆ Ordinary profit increased due to factors such as an increase in equity-method affiliates from this fiscal year
- ◆ Quarterly net profit increased significantly

[Million yen]		Q3 FY2023	Q3 FY2024		Q3 FY2024
		Actual	Actual	Changes	Forecast*
<b>Sales</b>		78,906	<b>82,630</b>	3,724	82,412
	Cost of Sales	57,657	<b>60,426</b>	2,769	-
	(Cost of Sales Ratio)	(73.1%)	(73.1%)	(0.0pt)	-
	SGA	18,025	<b>19,032</b>	1,007	-
	(SGA Ratio)	(22.8%)	(23.0%)	(0.2pt)	-
<b>Operating Profit</b>		3,223	<b>3,170</b>	▲ 53	2,929
<b>(%)</b>		(4.1%)	(3.8%)	(▲ 0.3pt)	(3.6%)
<b>Ordinary Profit</b>		3,138	<b>3,147</b>	9	-
<b>Net Profit</b>		738	<b>1,831</b>	1,093	-
USD/JPY	Average	143.33	151.79	8.46	145
	End of the period	141.83	158.18	16.35	145

Record-high sales for the cumulative period of the third quarter

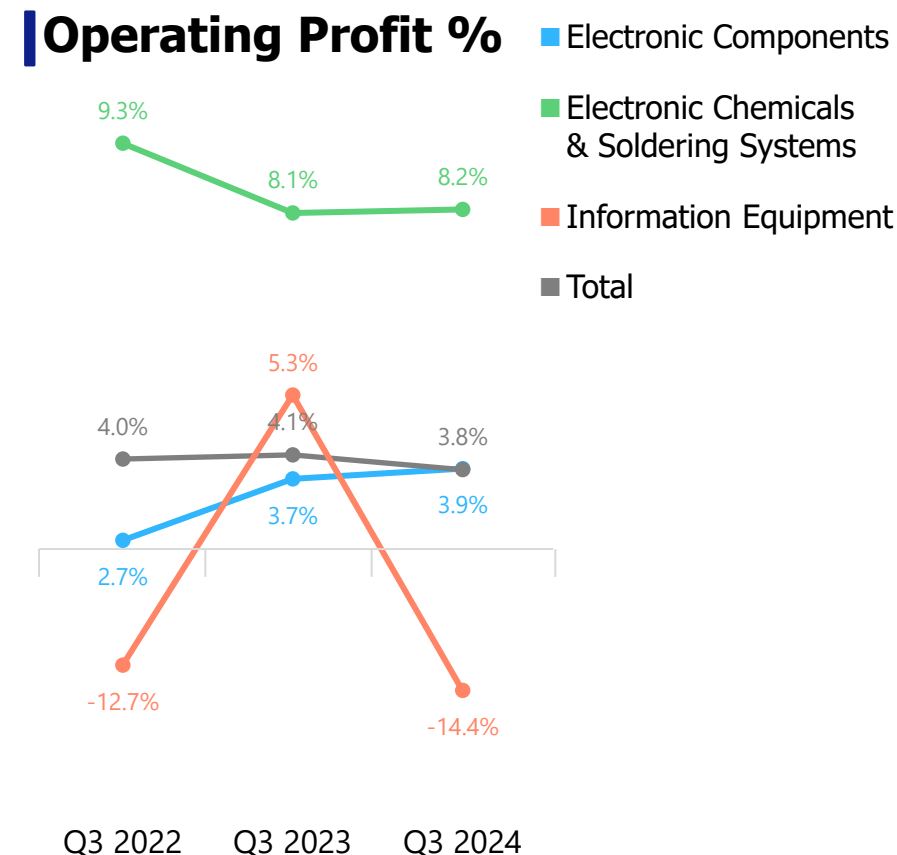
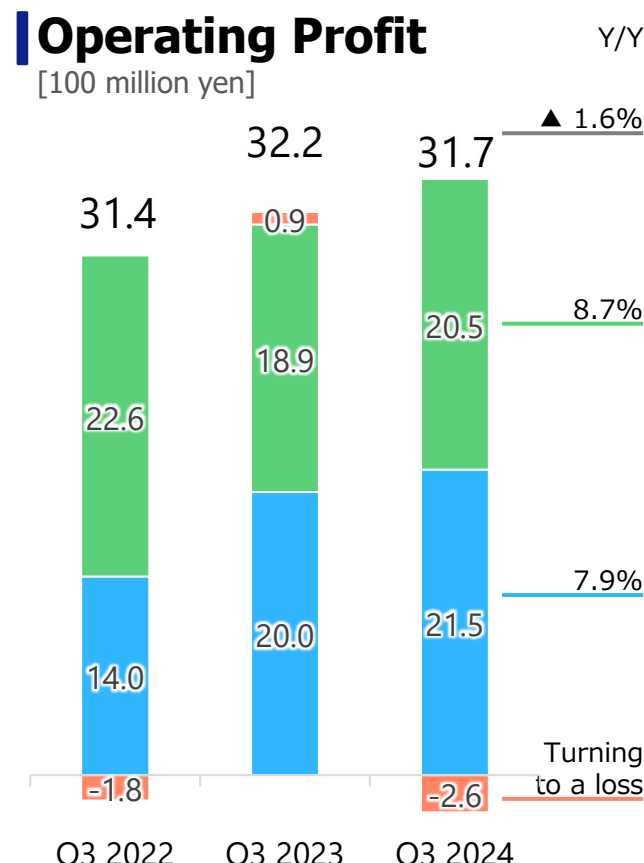
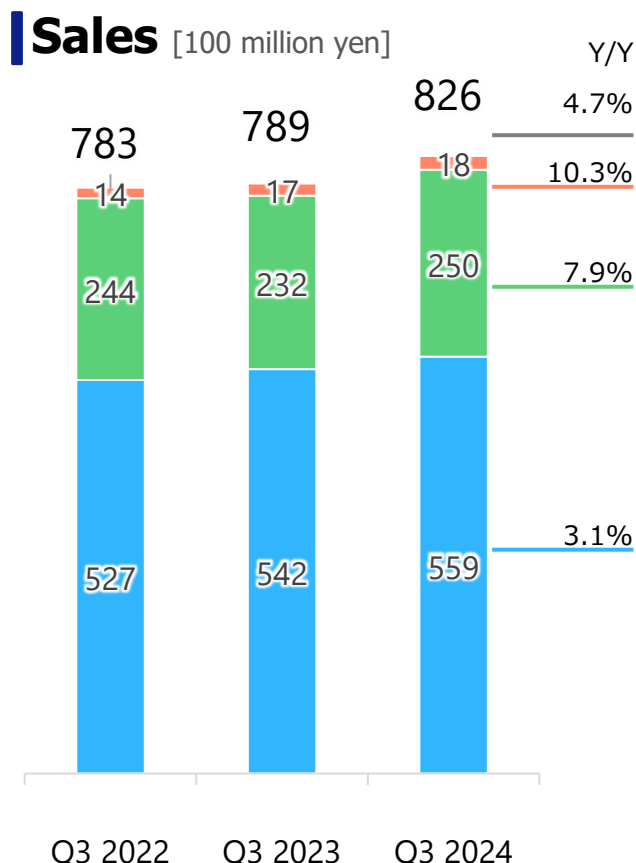
Operating profit remained on par with the same quarter of the previous year due to the lump sum recording of past inventory valuation losses, investigation cost, and rising labor costs

The affiliated company in Brazil has been reclassified as an equity-method affiliate from this fiscal year

A significant YoY increase recorded due to the absence of the extraordinary loss recorded in the previous fiscal year related to the pension buyout of UK subsidiary

# Sales & Profit By Business

- ◆ Electronic Components and Electronic Chemicals & Soldering Systems: Sales and profit increased
- ◆ Information Equipment: Sales increased, but turned to a loss
- ◆ The overall operating profit margin declined slightly due to the lower profitability of the Information Equipment

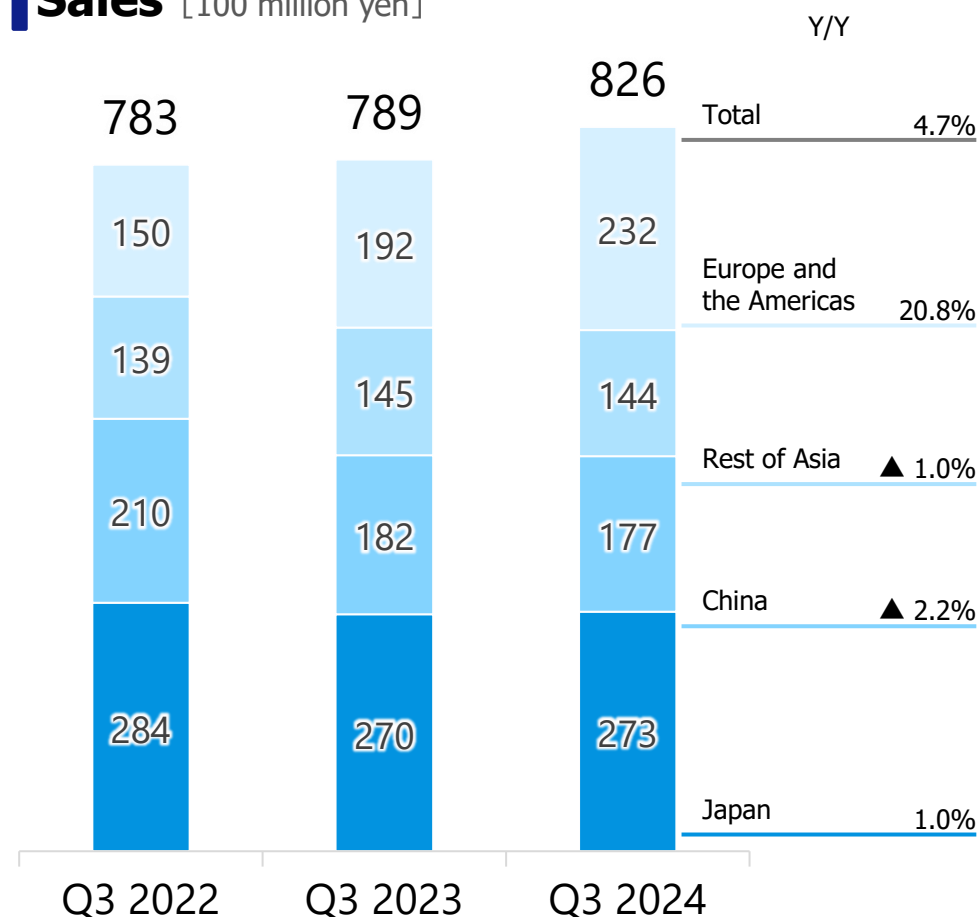


\* Gap between total operating profit and the sum of businesses is consolidation adjustments and unallocated HQ cost such as R&D.

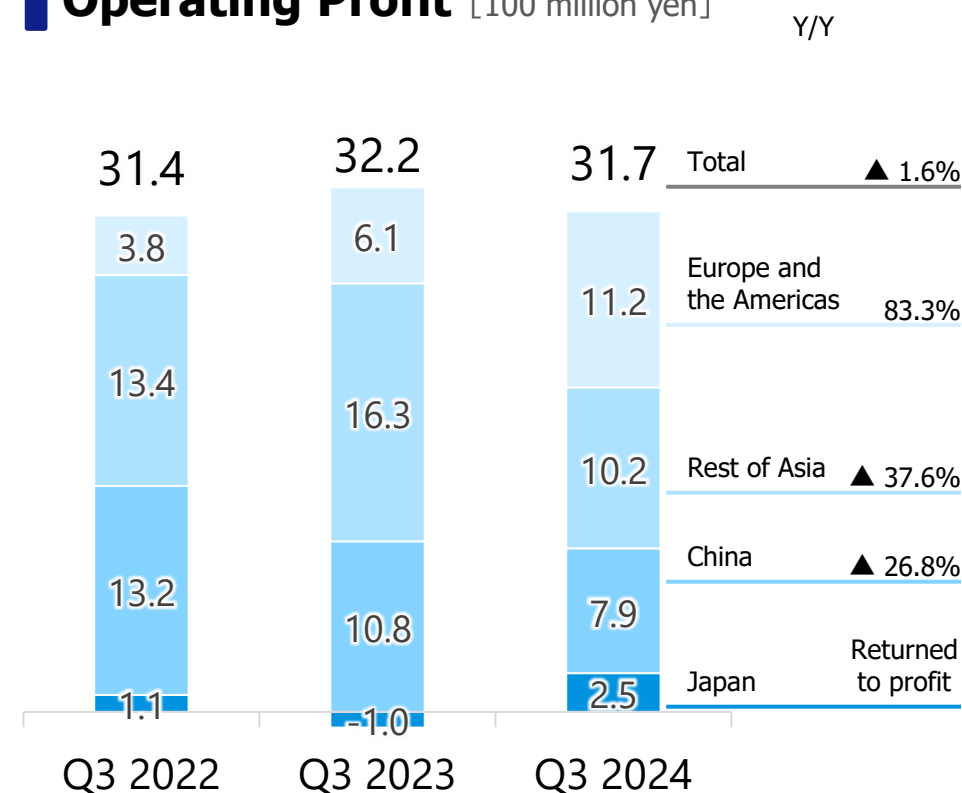
# Sales & Profit by Area

- ◆ In the key markets of Europe and the Americas, both sales and profit increased
- ◆ In China, profit decreased due to economic stagnation and the recognition of past inventory valuation losses
- ◆ In rest of Asia, profit decreased due to weakened demand in the industrial equipment sector

## Sales [100 million yen]



## Operating Profit [100 million yen]

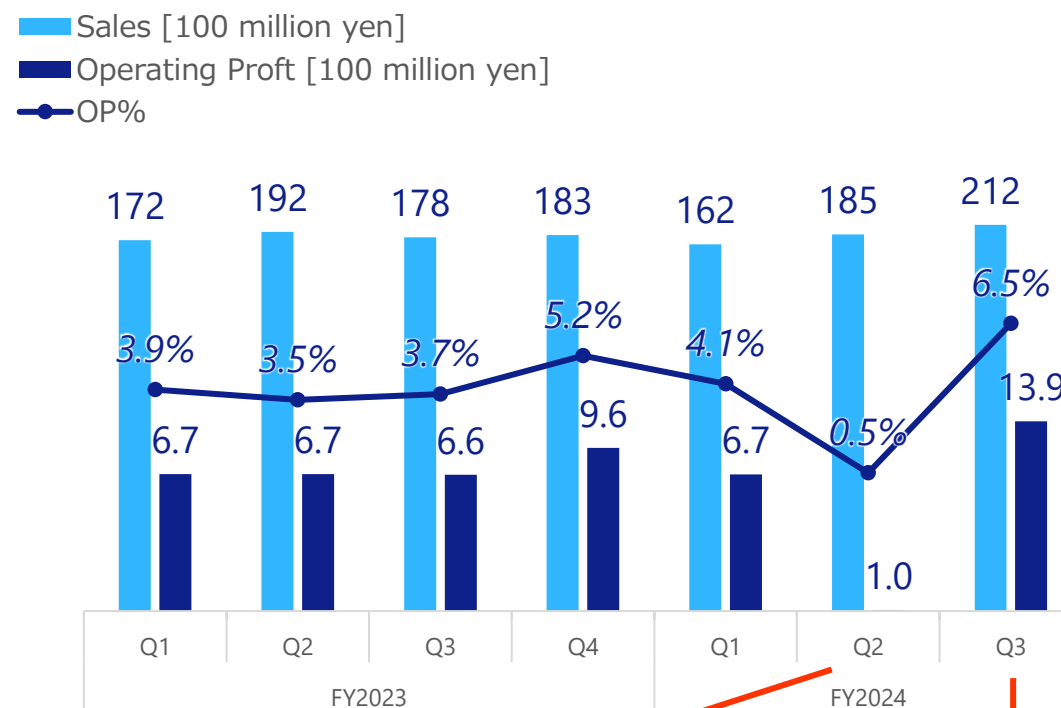


\* Japan Operating Profit includes consolidation adjustments and unallocated HQ cost

# Electronic Components 1

- ◆ Sales and profit increased. Operating profit declined in Q2 due to the recognition of past inventory valuation losses, but grew in Q3 due to temporary factors

	Q3 FY2023	Q3 FY2024		Q3 FY2024
	Actual	Actual	Y/Y	Forecast*
[Million yen]				
<b>Sales</b>	54,186	<b>55,861</b>	3.1%	54,000
<b>Operating Profit</b>	1,996	<b>2,154</b>	7.9%	2,300
<b>OP%</b>	3.7%	<b>3.9%</b>	0.2pt	4.3%



The past inventory valuation losses of two consolidated subsidiaries in China were recognized in a lump sum

Temporary sales from customer transactions led to an increase in both profit amount and margin

# Electronic Components 2

- ◆ Sales of large transformers and reactors saw significant growth, while chargers for power tools remained steady. However, transformers and reactors for industrial machinery experienced weak performance
- ◆ The expansion into Romania canceled, with the next mid-term management plan reviewing business site distribution

	Q3 FY2023	Q3 FY2024		
[100 million yen]	Actual	Actual	%	Y/Y
<b>Sales by product</b>	542	<b>559</b>	100.0%	3.1%
Coils & reactors	169	<b>164</b>	29.3%	▲ 3.4%
Transformers	69	<b>53</b>	9.5%	▲ 23.4%
Large transformers & reactors	79	<b>115</b>	20.6%	45.1%
AC adapters & chargers	77	<b>89</b>	15.9%	14.5%
Power supplies • Modules • Ceramics and other	100	<b>93</b>	16.7%	▲ 6.8%
LED	47	<b>45</b>	8.1%	▲ 3.5%
<b>Sales by market</b>	542	<b>559</b>	100.0%	3.1%
Industrial machinery	154	<b>130</b>	23.3%	▲ 15.5%
Energy	94	<b>151</b>	27.1%	61.8%
Transportation & auto	56	<b>59</b>	10.6%	6.6%
Home	191	<b>183</b>	32.8%	▲ 4.0%
Information & communications • AV and other	48	<b>34</b>	6.1%	▲ 28.6%

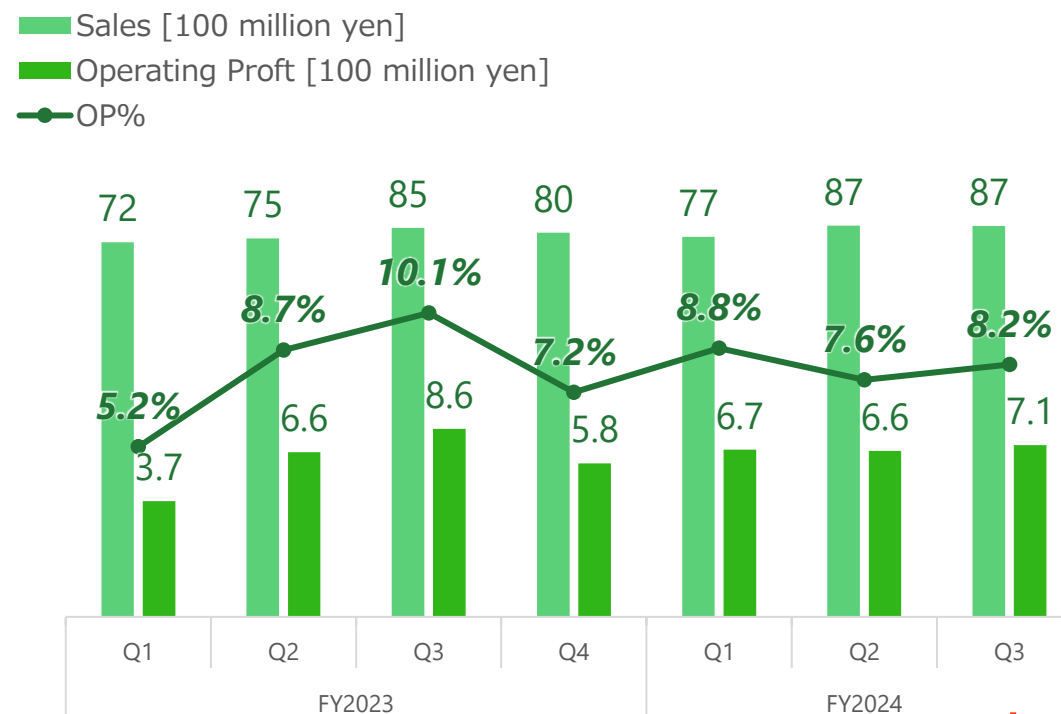
- The expansion into Romania was canceled
- The site was established as a production base for module products such as chargers.
  - Strategy review was carried out due to changes in customer demand and market conditions
  - The special loss from the strategy revision has already been recognized in the second quarter

**The next medium-term management plan will include a review of business site distribution**

# Electronic Chemicals & Soldering Systems 1

- ◆ Sales and profit increased
- ◆ While operating profit margin declined in Q2, improved in Q3 due to cost control measures

	Q3 FY2023	Q3 FY2024		Q3 FY2024
	Actual	Actual	Y/Y	Forecast*
[Million yen]				
<b>Sales</b>	23,215	<b>25,039</b>	7.9%	25,200
<b>Operating Profit</b>	1,886	<b>2,050</b>	8.7%	1,930
<b>OP%</b>	8.1%	<b>8.2%</b>	0.1pt	7.7%



Q3 sales in Soldering Systems business increased from Q2, and with cost control measures, profit margin improved

# Electronic Chemicals & Soldering Systems 2

- ◆ Sales of solder paste for automotive remained steady, while solder resist for smartphone FPCs performed well  
Sales of Soldering Systems were sluggish
- ◆ A new production facility will be built in Sayama site, with the solder powder production and inspection processes relocated from Iruma site

	Q3 FY2023	Q3 FY2024		
[100 million yen]	Actual	Actual	%	Y/Y
<b>Sales by product</b>	<b>232</b>	<b>250</b>	100.0%	7.9%
Solder paste	140	<b>155</b>	61.7%	10.1%
Solder resist	40	<b>49</b>	19.6%	23.9%
Flux	19	<b>19</b>	7.5%	▲ 0.1%
Soldering systems	36	<b>30</b>	11.9%	▲ 17.2%

## TOPICS

### New Production Facility in Sayama site

- To address aging solder powder facilities at the Iruma site, production processes will be relocated
- The relocation would improve production efficiency, as well as contribute to environment protection and enhance energy efficiency of the site and plant



Sayama Site (Aerial Photo)



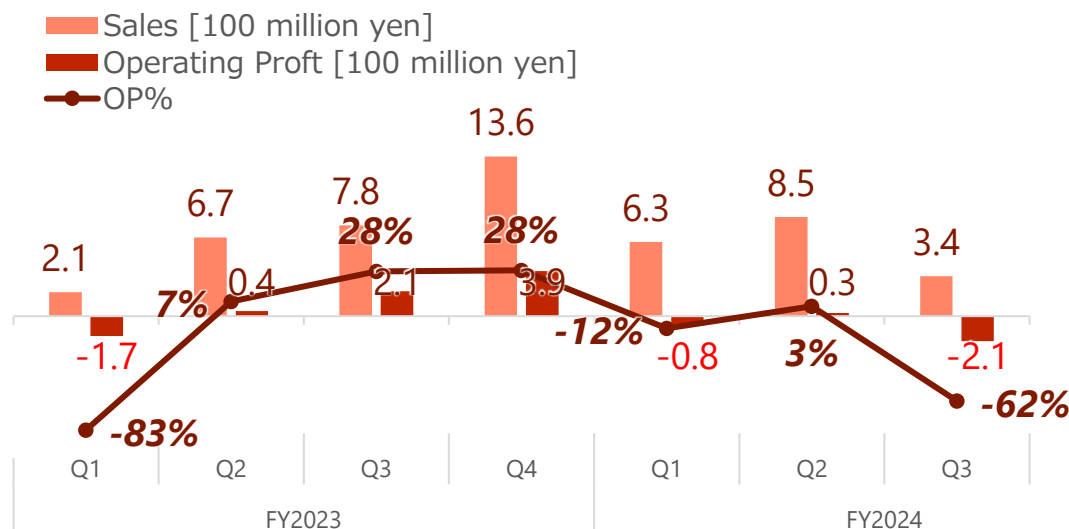
Conceptual Drawing of New Production Facility

Overview: The completion of the new building is slated for October 2025  
 Capital expenditure: Approximately JPY 5 billion for building and production equipment  
 Structure: Three-story steel frame building  
 Building area: 3,600 sqm, Floor area: Approximately 6,500 sqm

# Information Equipment

- ◆ Despite sales increase, loss incurred due to changes in the sales mix and rising expenses
- ◆ Developed audio mixing console for live radio broadcast studios, aiming to tap into new markets

	Q3 FY2023	Q3 FY2024		Q3 FY2024
[Million yen]	Actual	Actual	Y/Y	Forecast*
<b>Sales</b>	1,653	<b>1,823</b>	10.3%	1,800
<b>Operating Profit</b>	88	<b>▲262</b>	Turned to a loss	▲680
<b>OP%</b>	5.3%	<b>▲14.4%</b>	▲ 19.7pt	11.8%



## TOPICS

### Audio Mixing Console for Live Radio Broadcast Studios

- Inherited the reliability of TV studio models
- Modular design for flexible layouts
- Simplified design for better usability
- All development, production, and sales are handled domestically
- Sales are scheduled to begin in April



Compact Mixer 「f100」



Image of use at a radio station

# Balance Sheet and Cash Flows as of December 2024

- ◆ Inventory increased, mainly due to products
- ◆ A target inventory turnover period has been set, and reduction efforts are underway

[100 million yen]	23/12	24/12	Changes
Cash and bank deposit	175	<b>179</b>	4
Trade receivables	275	<b>267</b>	▲8
Inventories	238	<b>250</b>	12
Tangible Fixed assets	299	<b>305</b>	6
<b>Total assets</b>	<b>1,148</b>	<b>1,173</b>	<b>24</b>
Accounts payable	124	<b>141</b>	17
Interest-bearing debt	339	<b>319</b>	▲20
Net assets	578	<b>599</b>	21
<b>Total liabilities and net assets</b>	<b>1,148</b>	<b>1,173</b>	<b>24</b>

[100 million yen]	23/12	24/12	Changes
Equity ratio	48.1%	<b>50.9%</b>	2.8pt

## **2. FY2024 FORECAST**

**(APRIL 1, 2024 TO MARCH 31, 2025)**

# FY2024 Forecast

- ◆ Sales and profit expected to increase due to steady demand for Electronic Chemicals and sales expansion for large transformers & reactors in Electronic Components

	[Million yen]	FY2023	FY2024			Y/Y
		Actual	H1 Actual	H2 Forecast	FY Forecast	
<b>Sales</b>		106,622	<b>52,453</b>	<b>59,547</b>	<b>112,000</b>	5.0%
<b>Operating profit (%)</b>		4,940 (4.6%)	1,660 (3.2%)	3,540 (5.9%)	<b>5,200</b> (4.6%)	5.3%
<b>Ordinary profit</b>		4,956	-	-	<b>5,000</b>	0.9%
<b>Net profit</b>		2,240	-	-	<b>3,400</b>	51.7%
USD/JPY	Average	143.08	145.00		1.3%	
	End of term	151.41	145.00		▲ 4.2%	

In the past H1 period last year, extraordinary loss was recorded due to the pension buyout by UK subsidiary

# FY2024 Forecast by Business & Area

- ◆ Electronic Components and Chemicals & Soldering Systems: Sales and profits expected to increase
- ◆ Information Equipment: Sales expected to increase, and profit expected to decrease
- ◆ By region, sales expected to increase in all areas, while profits expected to decrease in Japan and rest of Asia

Business	FY2023	FY2024	
	Actual	Forecast	Y/Y
[100 million yen]			
<b>Sales</b>	1,066.2	<b>1,120.0</b>	5.0%
Electronic Components	725.4	<b>743.0</b>	2.4%
Electronic Chemicals & Soldering Systems	312.4	<b>341.0</b>	9.2%
Information Equipment	30.2	<b>36.0</b>	19.2%
<b>Operating Profit</b>	49.4	<b>52.0</b>	5.3%
Electronic Components	29.6	<b>32.0</b>	8.1%
Electronic Chemicals & Soldering Systems	24.6	<b>28.0</b>	13.8%
Information Equipment	4.7	<b>1.0</b>	▲ 78.7%
Others	▲ 9.6	<b>▲ 9.0</b>	-
<b>Operating Profit %</b>	4.6%	<b>4.6%</b>	0.0pt
Electronic Components	4.1%	<b>4.3%</b>	0.2pt
Electronic Chemicals & Soldering Systems	7.9%	<b>8.2%</b>	0.3pt
Information Equipment	15.7%	<b>2.8%</b>	▲ 12.9pt

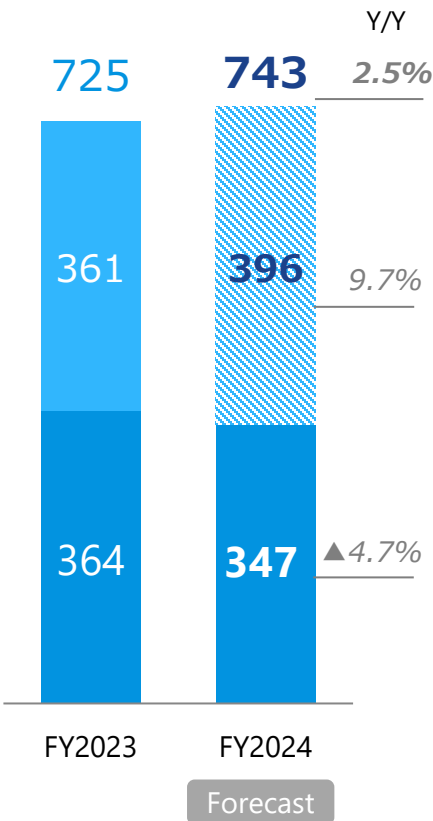
Area	FY2023	FY2024		
	Actual	Forecast	%	Y/Y
[100 million yen]				
<b>Sales</b>	1,066.2	<b>1,120.0</b>	100.0%	5.0%
Japan	372.1	<b>376.0</b>	33.6%	1.0%
China	248.8	<b>249.0</b>	22.2%	0.1%
Rest of Asia	190.5	<b>196.0</b>	17.5%	2.9%
Europe and the Americas	254.8	<b>299.0</b>	26.7%	17.3%
<b>Operating Profit</b>	49.4	<b>52.0</b>	100.0%	5.3%
Japan*	7.2	<b>6.0</b>	11.5%	▲ 16.7%
China	15.2	<b>17.0</b>	32.7%	11.8%
Rest of Asia	20.4	<b>16.0</b>	30.8%	▲ 21.6%
Europe and the Americas	6.7	<b>13.0</b>	25.0%	94.0%

Sales and profit expected to increase due to the expansion of production capacity for large transformers & reactors in Mexico

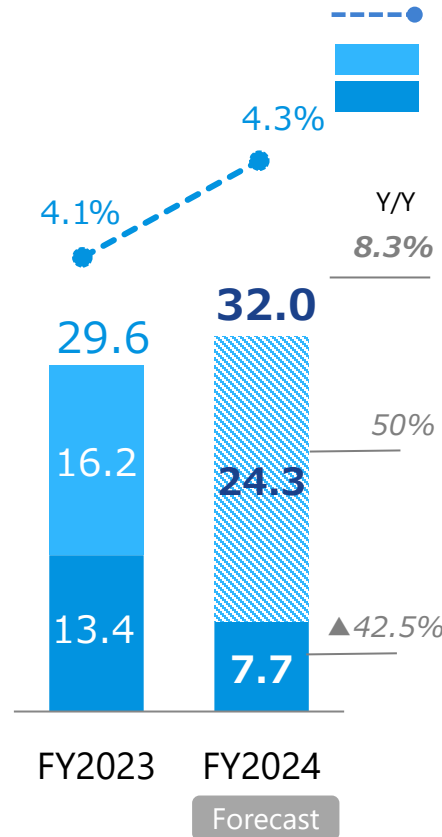
# Sales & Profit Forecast: Electronic Components

◆ Strong demand for chargers for power tools and large transformers & reactors is expected to continue

## Sales [100 million yen]



## Operating Profit [100 million yen]



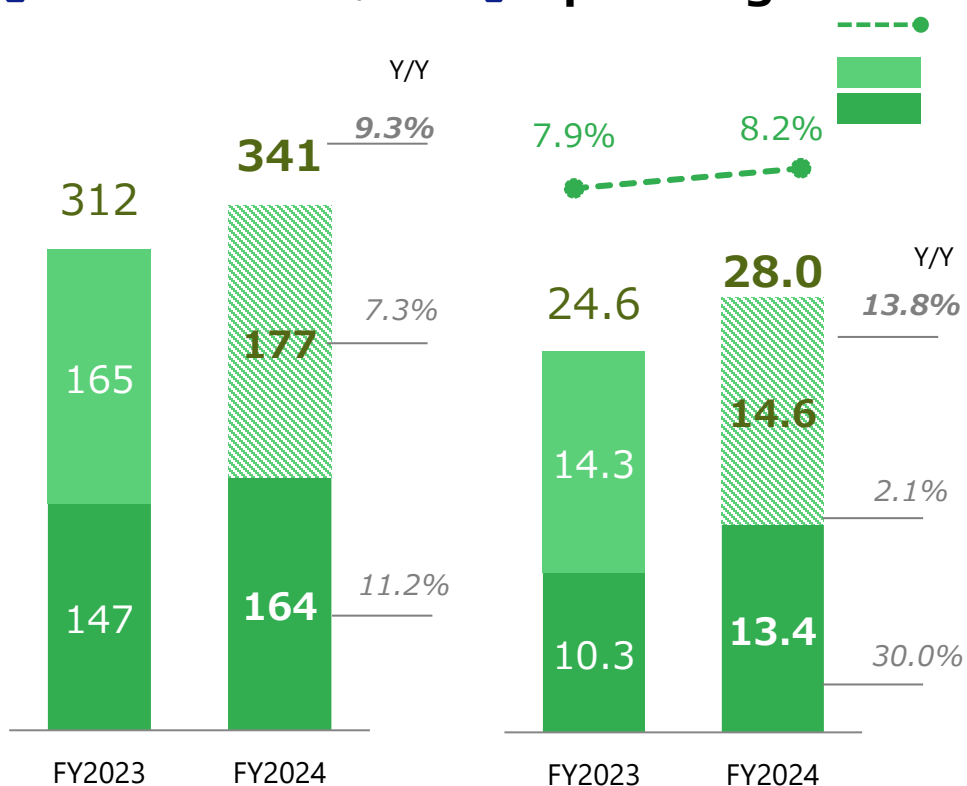
	FY2023	FY2024		
	Actual	Forecast	%	Y/Y
<b>Sales by product</b>	725	743	100.0%	2.5%
Coils & reactors	226	219	29.5%	▲ 3.1%
Transformers	88	76	10.2%	▲ 13.6%
Large transformers & reactors	110	159	21.4%	44.5%
AC adapters & chargers	104	112	15.1%	7.7%
Power supplies • Modules • Ceramics and other	131	113	15.2%	▲ 13.7%
LED	66	64	8.6%	▲ 3.0%
<b>Sales by market</b>	725	743	100.0%	2.5%
Industrial machinery	204	178	24.0%	▲ 12.7%
Energy	131	193	26.0%	47.3%
Transportation & auto	79	82	11.0%	3.8%
Home	247	240	32.3%	▲ 2.8%
Information & communications • AV and other	65	50	6.7%	▲ 23.1%

\*Please refer to slide 39 of the reference materials for the quarterly forecast trends.

# Sales & Profit Forecast: Electronic Chemicals & Soldering Systems

◆ Sales and profit expected to increase due to steady demand for solder paste and solder resist

## Sales [100 million yen]



Forecast

Forecast

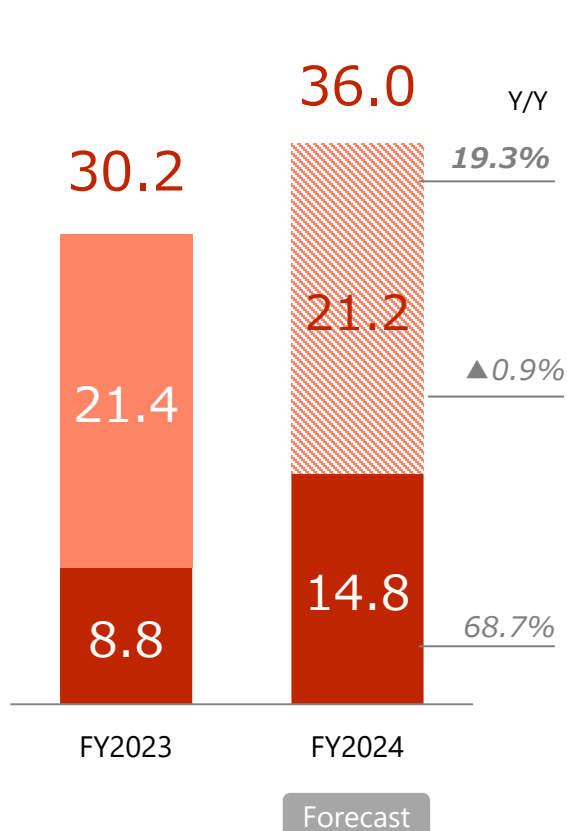
	FY2023	FY2024		
	Actual	Forecast	%	Y/Y
<b>Sales by product</b>	312	<b>341</b>	100.0%	9.3%
Solder paste	188	<b>216</b>	63.3%	14.9%
Solder resist	53	<b>62</b>	18.2%	17.0%
Flux	25	<b>26</b>	7.6%	4.0%
Soldering systems	49	<b>37</b>	10.9%	▲ 24.5%

\*Please refer to slide 40 of the reference materials for the quarterly forecast trends.

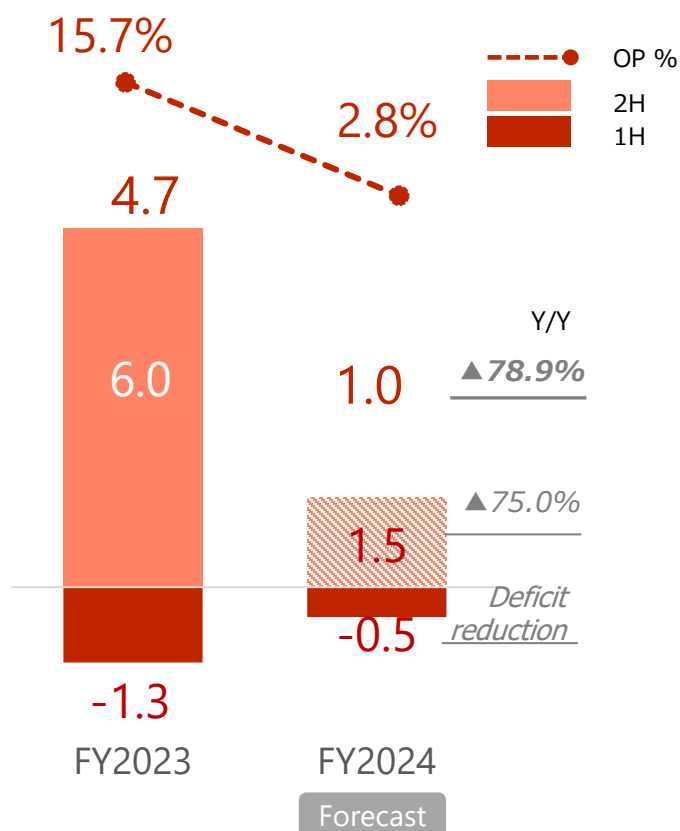
# Sales & Profit Forecast: Information Equipment

- ◆ Continuous sales of next-generation broadcast system expected, while profit expected to decrease due to changes in sales composition and increased expenses

## Sales [100 million yen]



## Operating Profit [100 million yen]



IP-based next-generation broadcast system

NTX series



Compact mixing console  
F100



\*Please refer to slide 41 of the reference materials for the quarterly forecast trends.

# Overview of the 13<sup>th</sup> Medium-term Management Plan (FY2023/3-FY2025/3)

Excerpt from past materials

- ◆ Business strategy based on the twin pillars of growth and efficiency, and sustainability strategy based on materiality
- ◆ Seeking to create a robust future for the 100th anniversary and beyond with sustainable business growth and corporate value expansion

## Energize the Future 100

Transformation to create a robust future for the 100<sup>th</sup> anniversary & beyond

### Business Strategy: Growth & Efficiency

- Business growth contributing to carbon neutrality

Geographical  
expansion

New  
products &  
businesses

- Profitability & capital efficiency improvement

Operating  
profit margin  
6%

ROE 8%

2024  
100<sup>th</sup>  
Anniver-  
sary

### Sustainability Strategy

To achieve 2030 GHG emission target and realize Aspiration for 2050 based on defined materiality

#### Materiality

- 1 Sustainable business growth
- 2 Product quality improvement
- 3 Proper supply chain management
- 4 Compliance
- 5 Fulfilling workplace
- 6 Cooperation with communities
- 7 Environmental protection & contribution to decarbonized society
- 8 Proactive information disclosure

2050

### Aspiration for 2050

A leading company well-recognized by global electronics markets to contribute to realizing decarbonized society

# Group Financial Targets

- ◆ The final-year target is unlikely to be met
- ◆ Efforts will continue under the next medium-term management plan and beyond for future growth

## The 13<sup>th</sup> Medium-term Management Plan

Achieved

Unachieved

### Financial targets

	23/3 Plan	23/3 Actual	24/3 Plan	24/3 Actual	25/3 Plan	25/3 Forecast
Operating profit	3bn	4.8bn	5bn<	4.9bn	6bn<	5.2bn
Operating profit %	3.2%	4.5%	5%	4.6%	6%	4.6%
ROE		4.0%		4.1%	8%	5.8%

### Guidelines for achieving targets

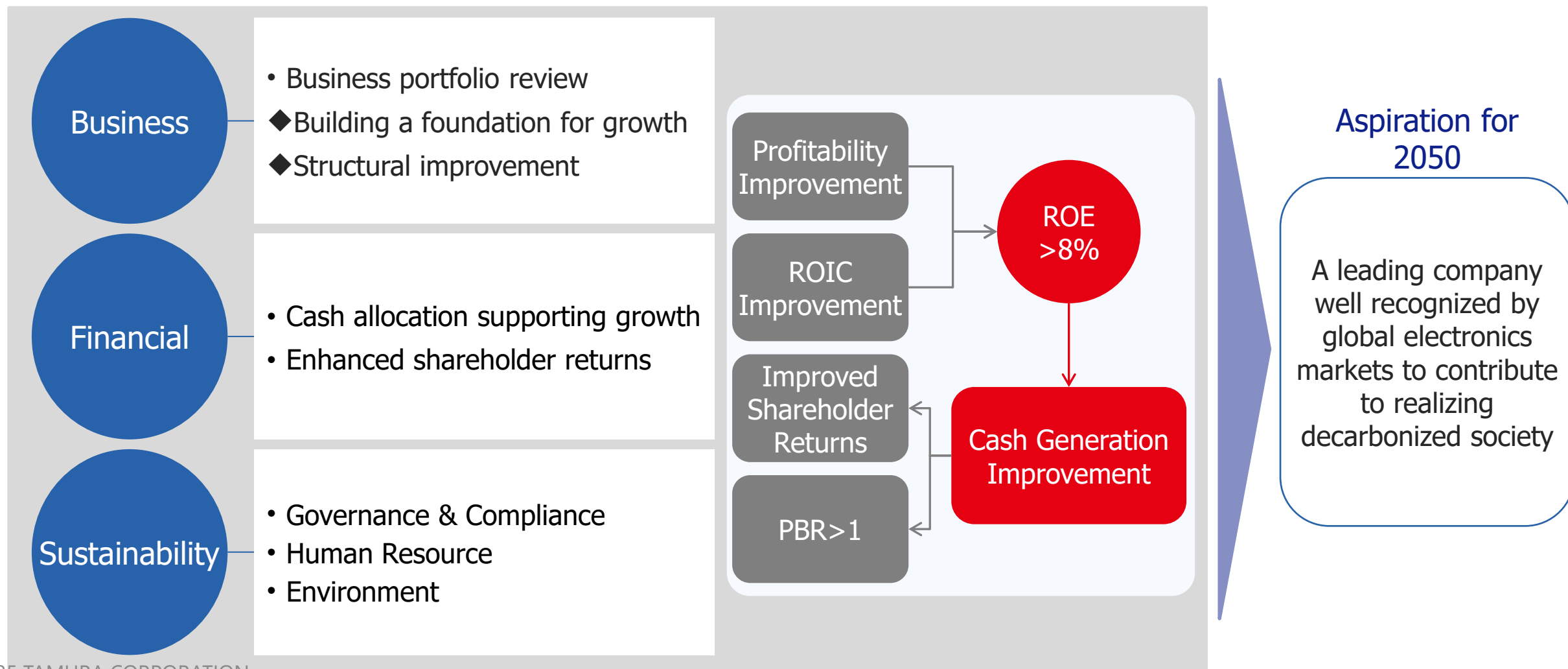
Consolidated sales	94bn	108bn	≒100bn	106.6bn	100bn<	112bn
ROIC		3.8%		3.8%	6%	4.3%

Missed targets due to rising labor costs, economic slowdown in China, and restrained capital investment by customers

# **3. OVERVIEW OF 14<sup>TH</sup> MEDIUM-TERM MANAGEMENT PLAN**

# Overview of the 14<sup>th</sup> Medium-term Management Plan FY2026/3~FY2028/3

- ◆ Aiming for a PBR above 1x through integrated ROE improvement across business, sustainability and financial strategies



# Business Strategy under the 14<sup>th</sup> Medium-term Management Plan

- ◆ Implementing early structural improvements and building a foundation for growth, while reviewing the business portfolio in aspiration for 2050

Reviewing the Business Portfolio

Early  
Structural  
Improvement

## Grow with the market opportunities from the decarbonized society, including potential M&A

- Key Markets: Clean Energy-related such as Power Infrastructure, Industry, Mobility, and Next-generation Communications
- Key Products: Next-generation Power Electronics-related products
- Key Regions: Europe and the Americas

Building  
a Foundation

## Achieving early results through swift execution

- Improving capital efficiency (ROIC)
  - Optimizing inventory levels and inventory turnover days
  - Reducing China dependency and reviewing business locations
- Improved profitability
  - Reviewing low-margin businesses and products
  - Reducing fixed costs

Leveraging a resilient business structure to swiftly seize market opportunities and drive strong growth

# Key Markets & Products

- ◆ Advancing the development and launch of products to meet the evolving market driven by next-generation power semiconductors

## Achieving Decarbonized Society

### Key Markets

#### Clean Energy

Power  
Infrastructure

Industry

Mobility

Next-generation  
Communication

Renewable Energy /  
Power Transmission & Distribution / Inverters /  
Data Centers / Devices & IoT Equipment

### Key Products

#### Next-generation Power Electronics

Magnetic  
Passive Devices

High-  
performance  
Modules

Electronic  
Chemicals

Large Transformers & Reactors /  
High-frequency Transformers & Reactors /  
High-voltage Gate Drivers / High-capacity Current Sensors /  
Power Electronics-related Chemicals /  
Advanced Semiconductor Chemicals

Next-generation  
Power Semiconductor

# Expansion of the Data Center Market

- ◆ With the growing demand for AI, the data center market is expected to expand rapidly

## Changes in the market environment

Expansion of  
AI-related  
demand



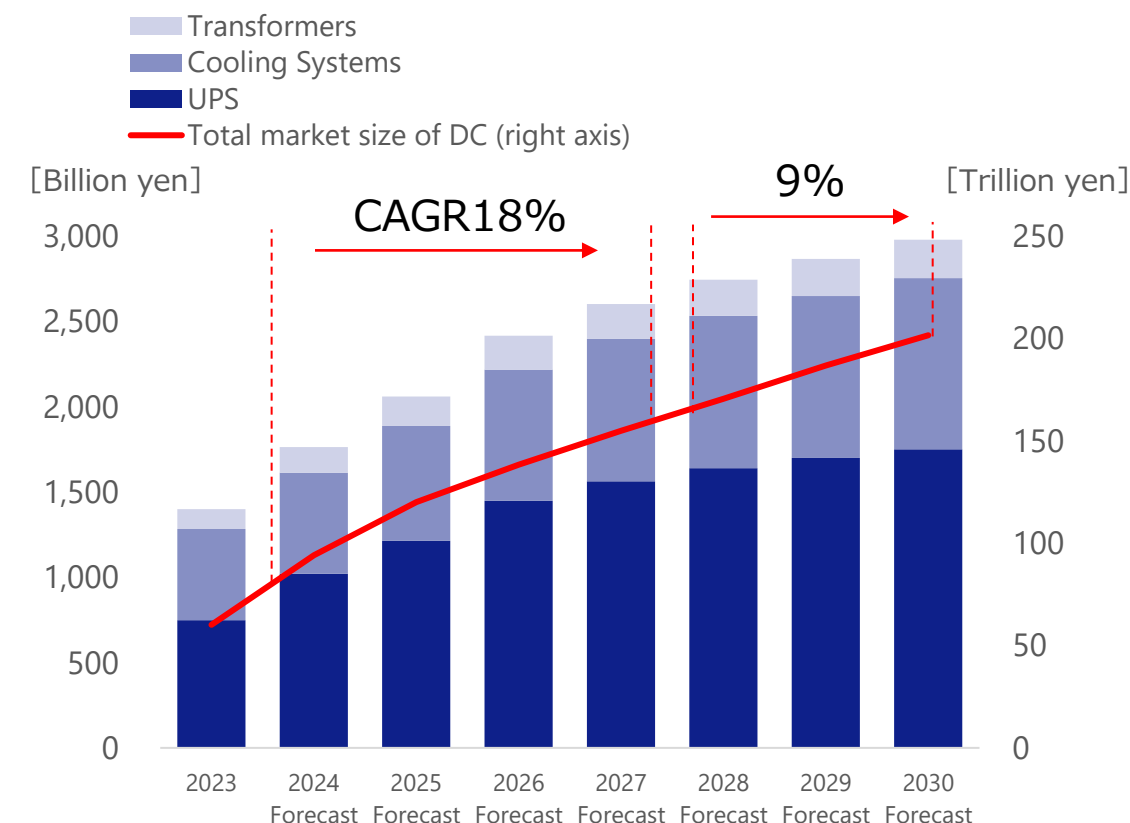
Increase in  
data center  
operations



Increase in  
power  
consumption

- The number of PDUs and UPS units, determined based on data center power consumption, is on the rise
- To prevent server overheating, cooling systems (HVAC) are becoming more high-performance and larger, expanding the market for peripheral devices
- The market is expected to achieve a high CAGR:
  - 2024-2027: 18%
  - 2028-2030: 9%

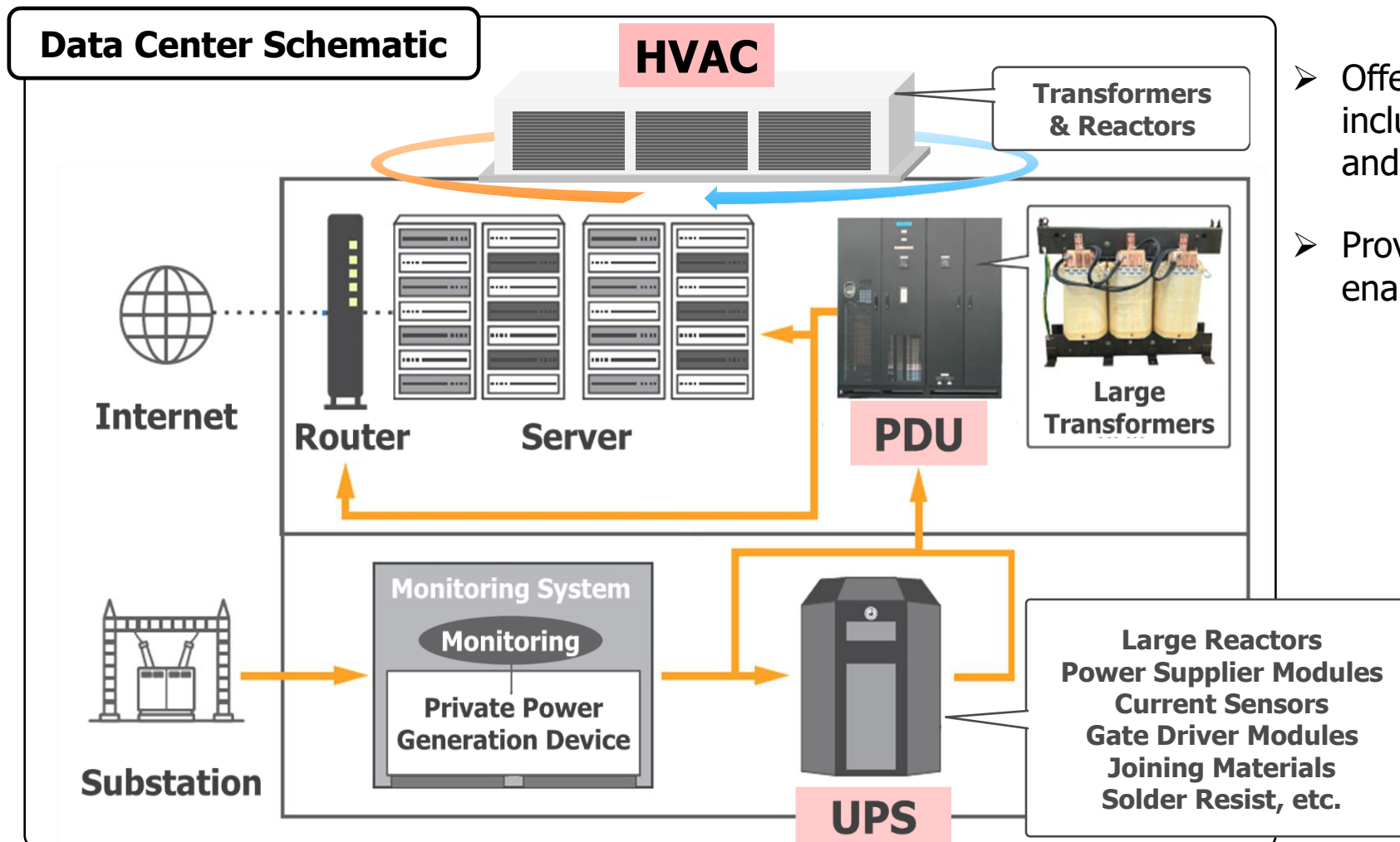
## Data center market size forecast



Source: Fuji Chimera Research Institute, Inc. "2024 Data Center, AI/Key Device Market Survey"  
Market size trends by category (overall, power systems, cooling systems) based data created & translated by Tamura Corporation

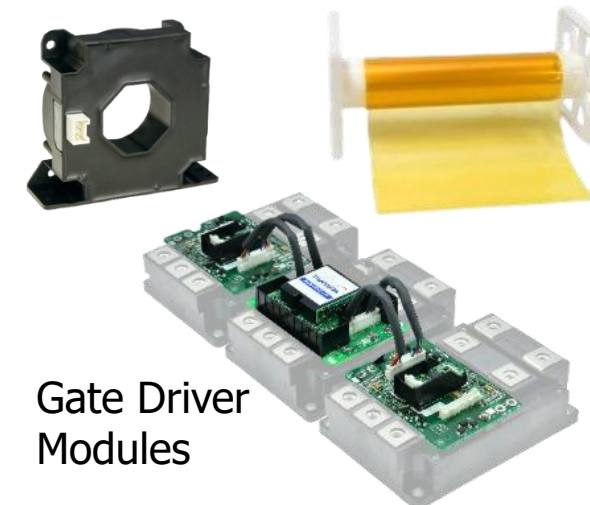
# A Wide Range of Products for Data Center Equipment

- ◆ Able to provide total solutions for PDU, UPS, and HVAC for data centers



- Offering a diverse range of products, including large transformers for PDUs and large reactors for UPS
- Providing full lineup for HVAC, enabling total solutions

Current Sensors    Solder Resist



Gate Driver Modules

# Technical Expertise and Supply Network for Large Transformers & Reactors

- ◆ Differentiating through advanced technology cultivation in Europe and global supply network of 8 global factories

## European Expertise × Track Record in the U.S.



### Europe - Renewable Energy

- Producing large reactors primarily for wind power inverters in Europe, leveraging European technology and honing advanced technical expertise



### The U.S. - Data Centers

- Building on trust in Europe, secured contracts for U.S. data center projects from European clients
- Expanded market share in the U.S. with large reactors requiring high technical expertise

## Global Supply Network with 8 Factories



- Supply from 8 factories across 6 countries: Mexico, China (2 factories), Brazil (2 factories), Malaysia, India, and the Czech Republic
- The production capacity at the Mexico factory will be further enhanced, with the second phase completed in 2024 and operations beginning in February 2025

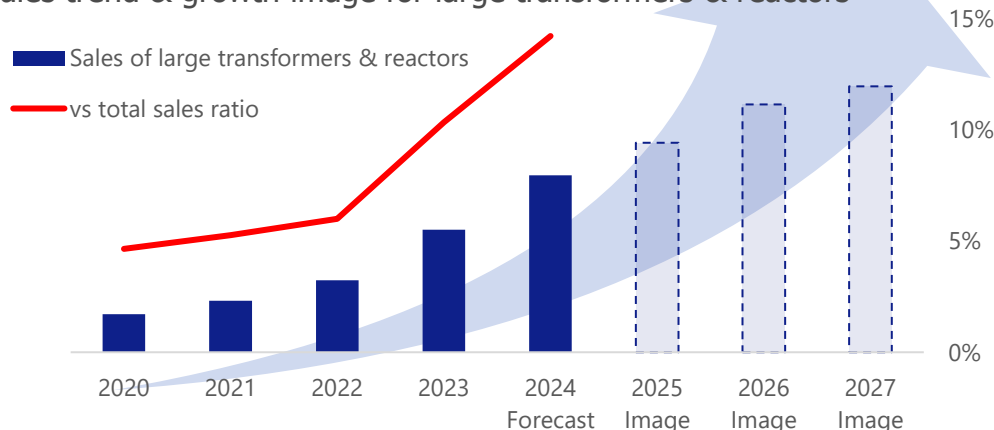
# Growth Strategy for Data Center Business

- ◆ Leveraging success in the U.S. as a stepping stone for further market expansion and accelerated growth

## Track Record and Growth Potential

- The sales of large transformers & reactors, key products for data centers, are expected to grow fivefold over the five years from 2020 to 2024
- Strong data center demand is projected to bring the U.S. market sales target for FY2027 forward to FY2025
- Growth momentum is expected to continue beyond 2025

Sales trend & growth image for large transformers & reactors



Source: Fuji Chimera Research Institute, Inc. "2024 Data Center, AI/Key Device Market Survey"  
Market size trends by category (power systems) based data created & translated by Tamura Corporation

## Growth Strategy for Data Centers



- Building on achievements in EU and the U.S., secured projects in Malaysia, planning to expand sales channels within ASEAN and Japan
- Aiming to enter the HVAC market by leveraging achievements and sales channels
- Utilize the global network to expand market share

**Achieving further growth  
in the expanding data center market**

## 4. SUMMARY

# Summary

## Financial Summary for Q3 FY2024:

- Sales increased, but operating profit remained on par with the same quarter
- Quarterly net profit increased significantly
- Electronic Components and Electronic Chemicals & Soldering Systems: Sales and profit increased  
Information Equipment: Sales increased, but turned to a loss
- In the key markets of Europe and the Americas: Sales and profit increased  
In China and rest of Asia: Sales and profit decreased

## Forecast for Fiscal Year Ending March 2025:

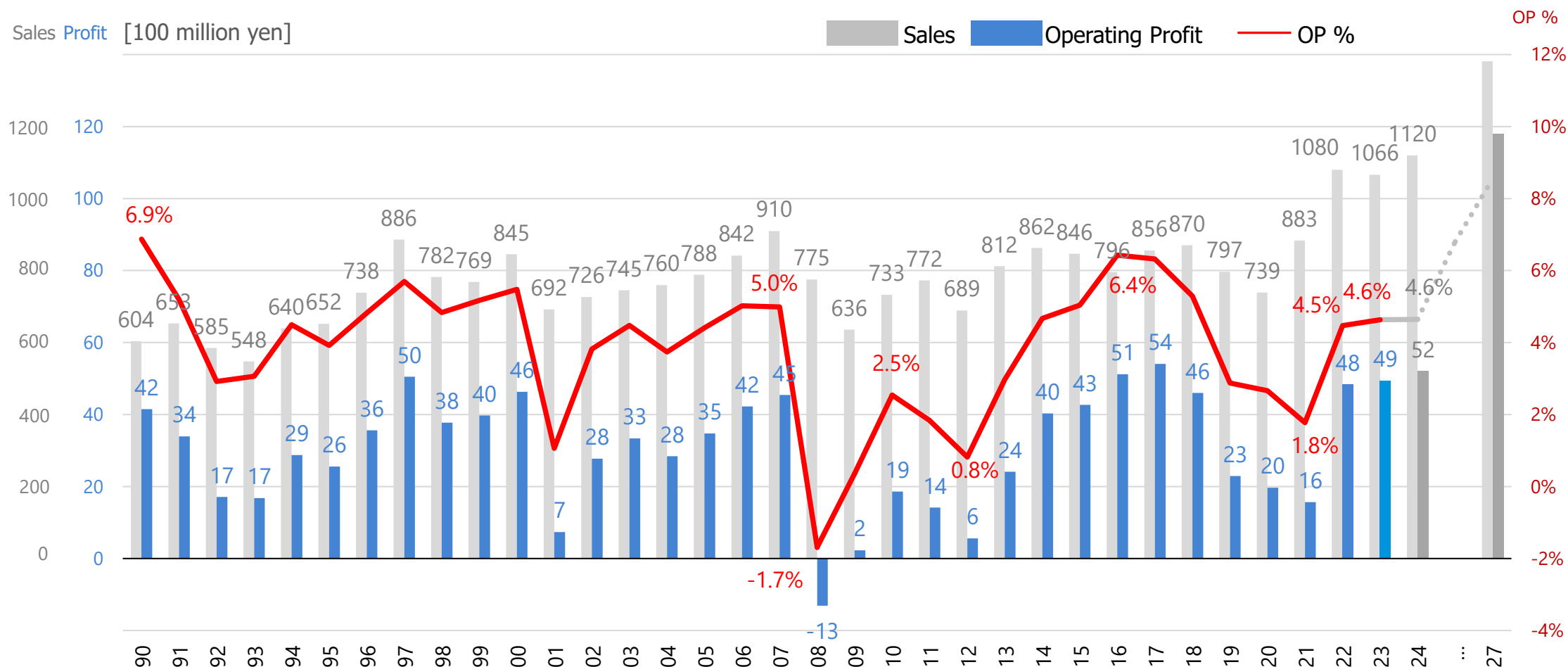
- Maintaining the full-year earnings forecast with projected sales and profit growth
- Electronic Components and Chemicals & Soldering Systems: Sales and profits expected to increase  
Information Equipment: Sales expected to increase, while profit expected to decrease
- By region, sales expected to increase in all areas, while profits expected to decrease in Japan and rest of Asia
- The final-year target is unlikely to be met.  
Efforts will continue under the next medium-term management plan and beyond for future growth

## Progress of Medium-term Management Plan

- Aiming for a PBR above 1x through integrated ROE improvement across business, sustainability and financial strategies

# **【APPENDIX】 REFERENCE**

# Sales and Operating Profit



1992  
Bubble collapse

2001  
IT Bubble collapse

2008  
Lehman shock

2011  
Great East Japan  
Earthquake

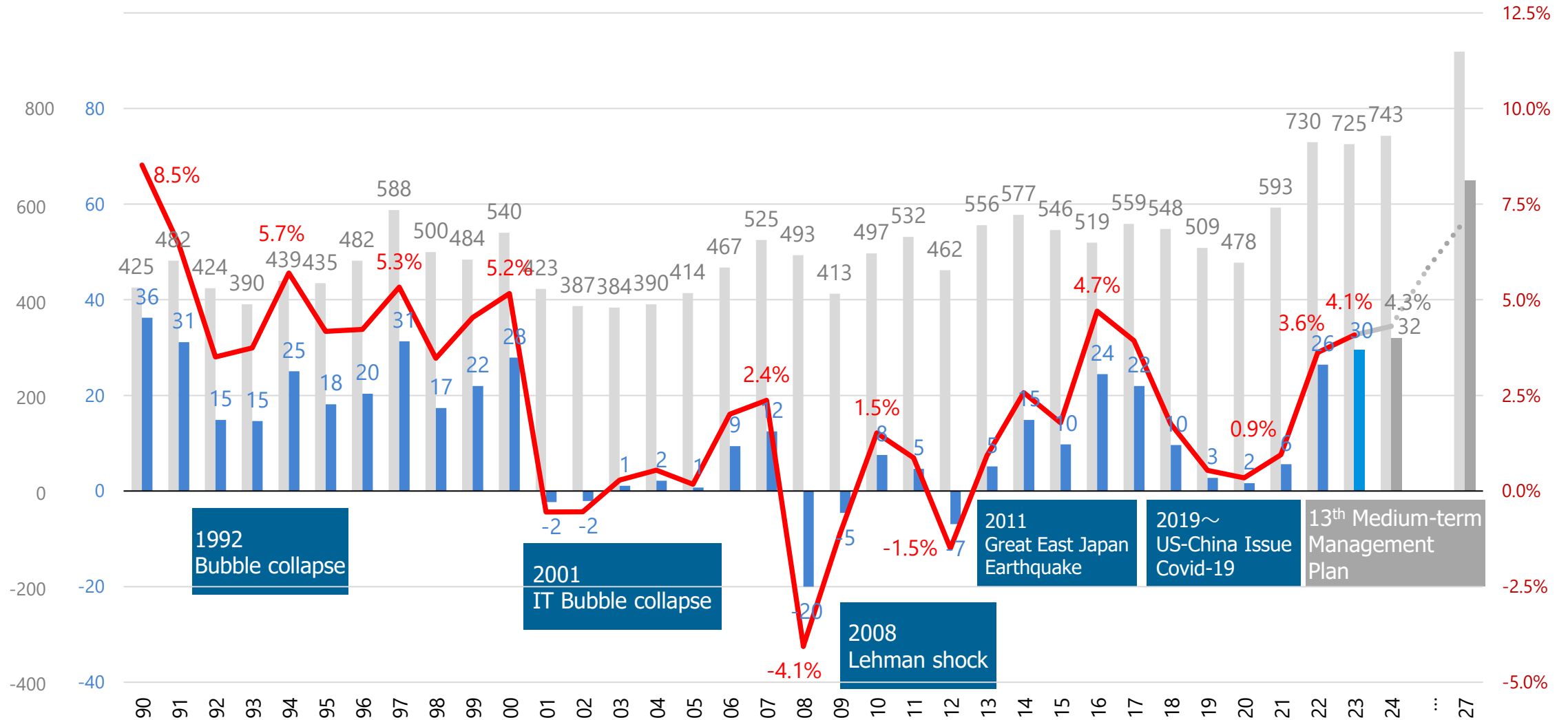
2019~  
US-China Issue  
Covid-19

13<sup>th</sup> Medium-term  
Management  
Plan

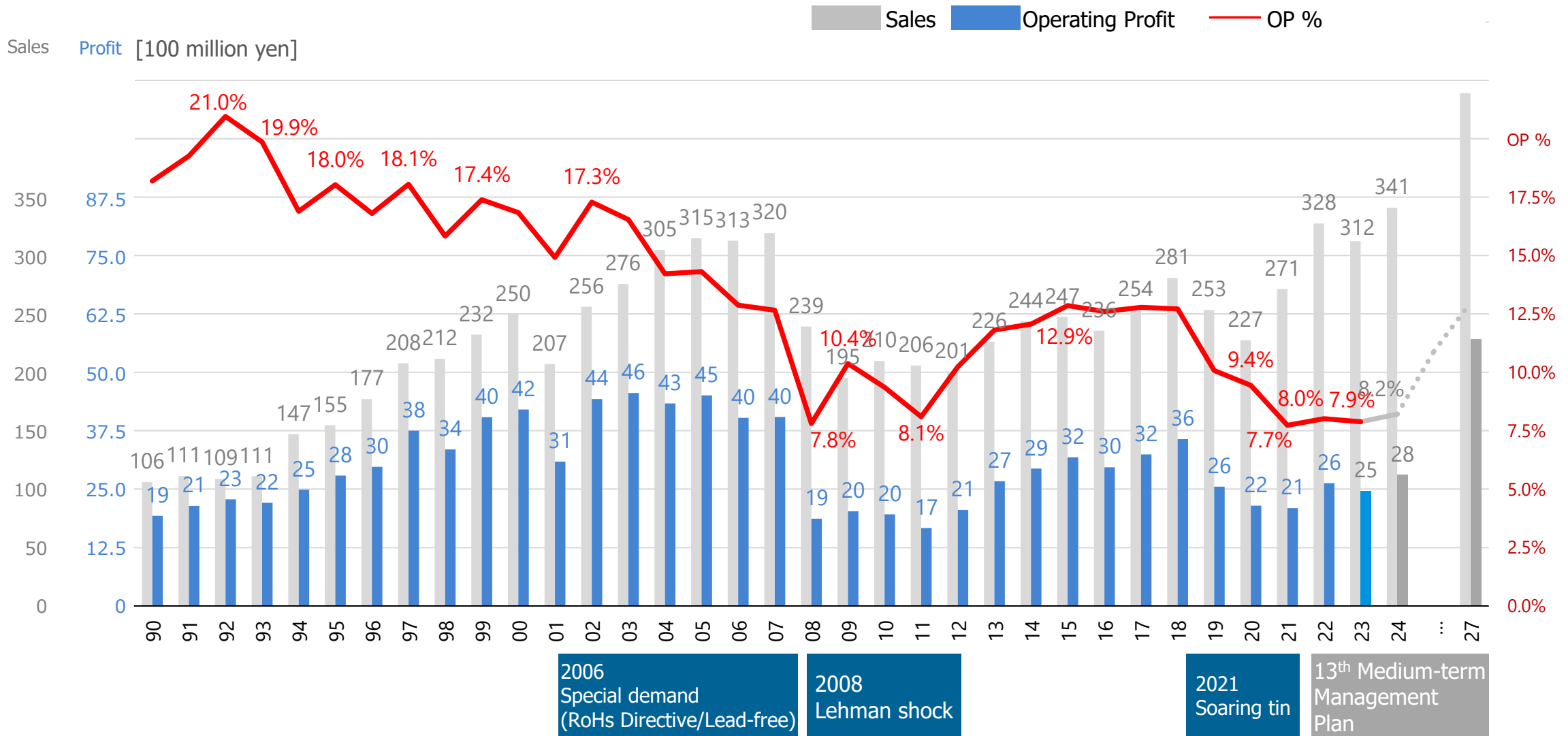
# Electronic Components: Sales and Operating Profit

Sales Profit [100 million yen]

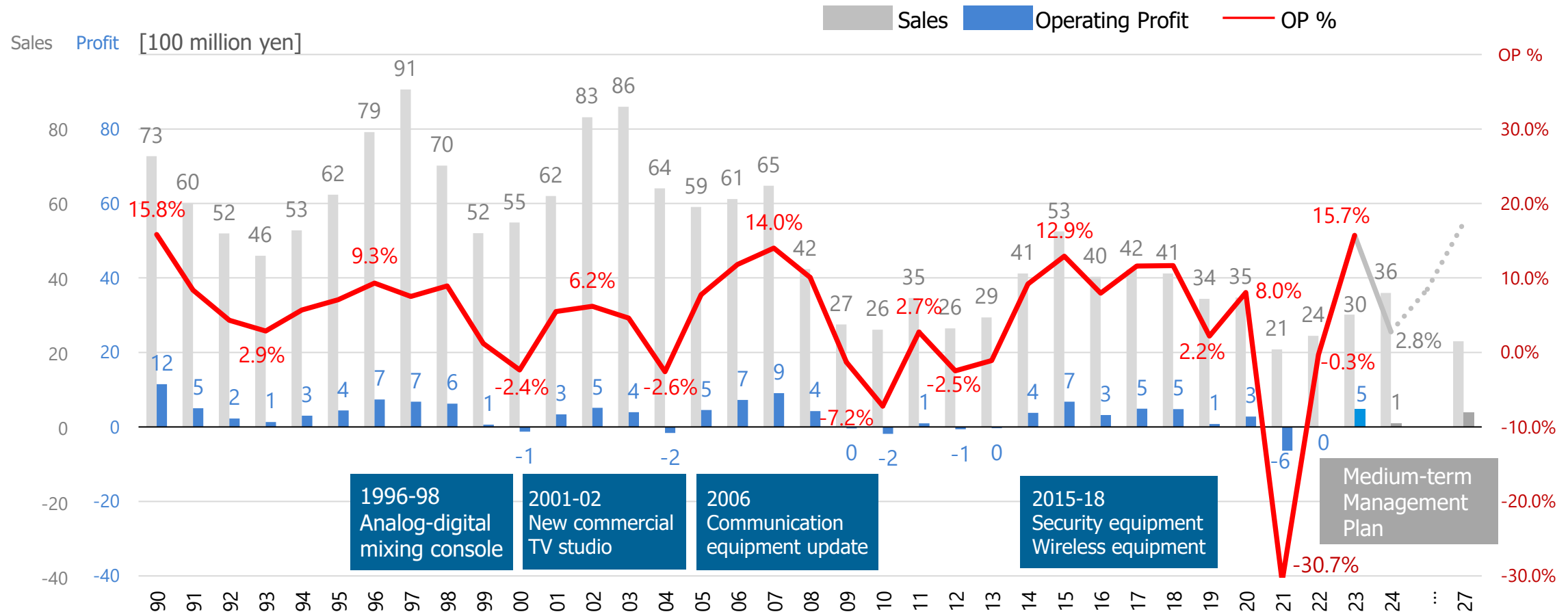
Sales Operating Profit OP %



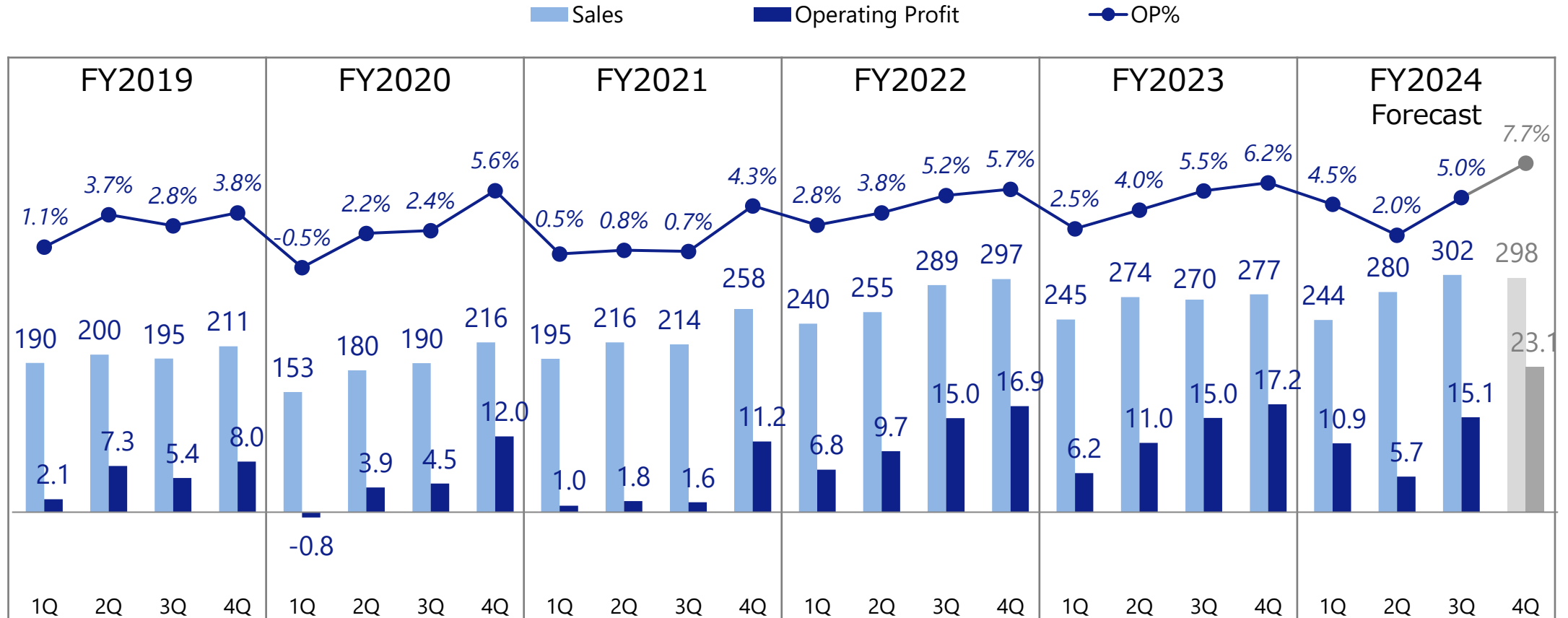
# Electronic Chemicals & FA systems: Sales and Operating Profit



# Information Equipment: Sales and Operating Profit



# Sales & Profit Quarterly Trend



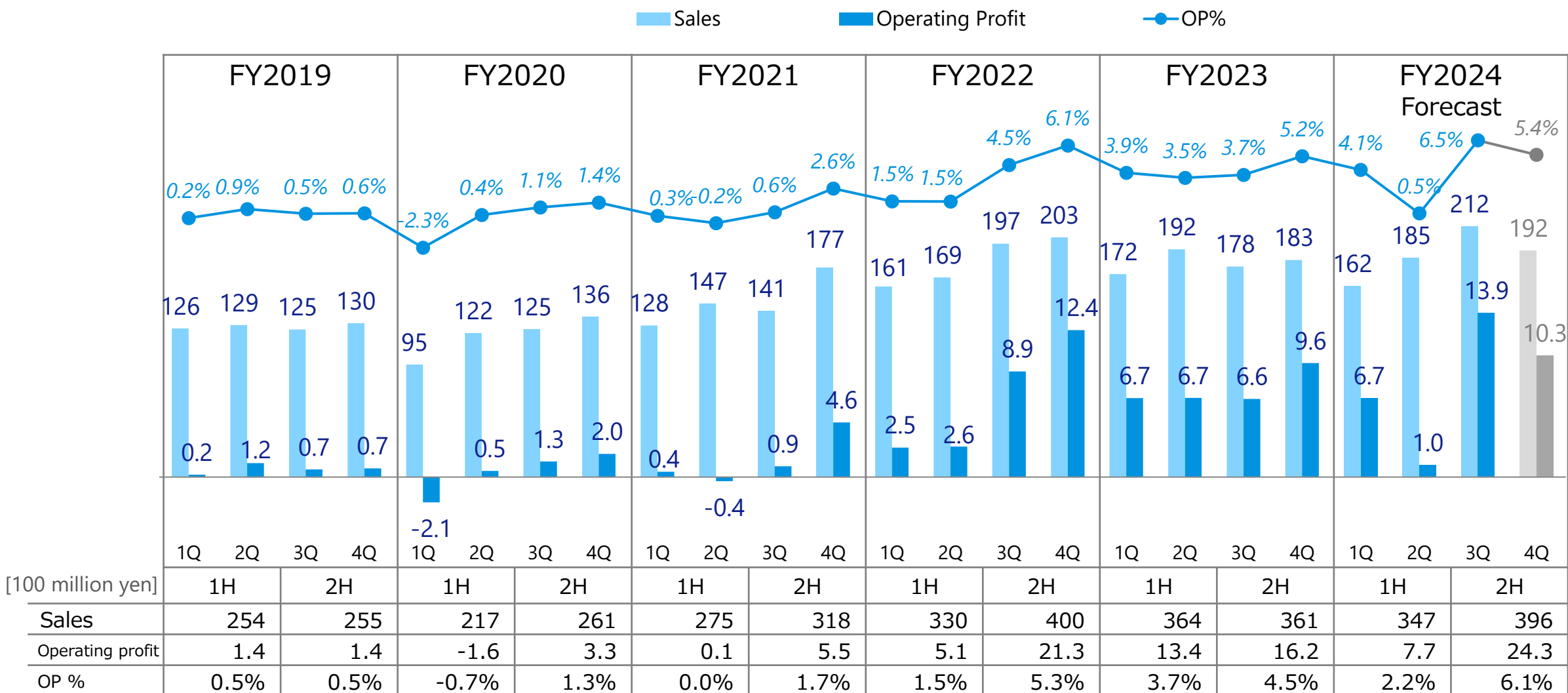
[100 million yen]

	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H*
Sales	390	406	333	406	411	472	494	585	519	548	525	595
Operating profit	9.4	13.5	3.1	16.6	2.8	12.8	16.5	31.8	17.2	32.2	16.6	35.4
OP %	2.4%	3.3%	0.9%	4.1%	0.7%	2.7%	3.3%	5.4%	3.3%	5.9%	3.2%	5.9%

\*The 4Q forecast in the FY24 graph has not been revised.

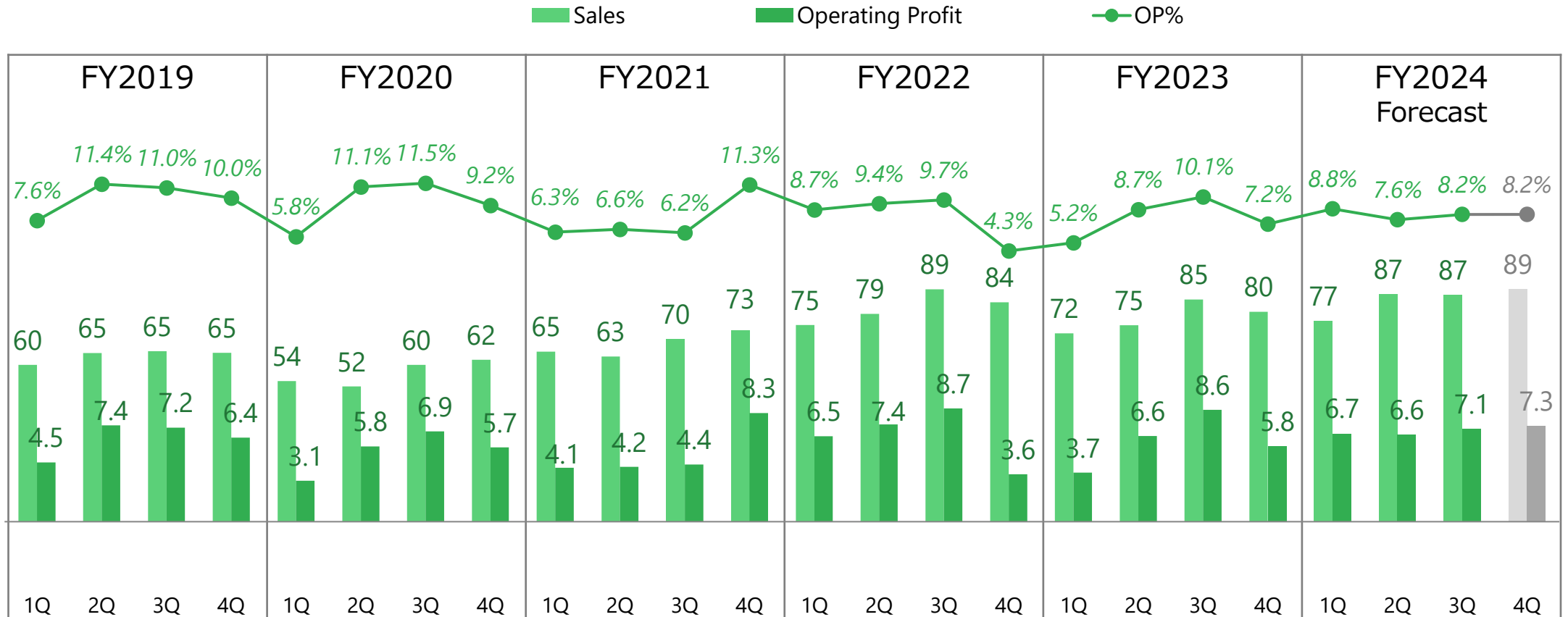
Therefore, the sum of 3Q and 4Q in the graph does not match the second-half figures in the table.

# Quarterly Forecast of Sales & Profit by Electronic Components



\*The 4Q forecast in the FY24 graph has not been revised.  
Therefore, the sum of 3Q and 4Q in the graph does not match the second-half figures in the table.

# Quarterly Forecast of Sales & Profit by Electronic Chemicals & Soldering Systems

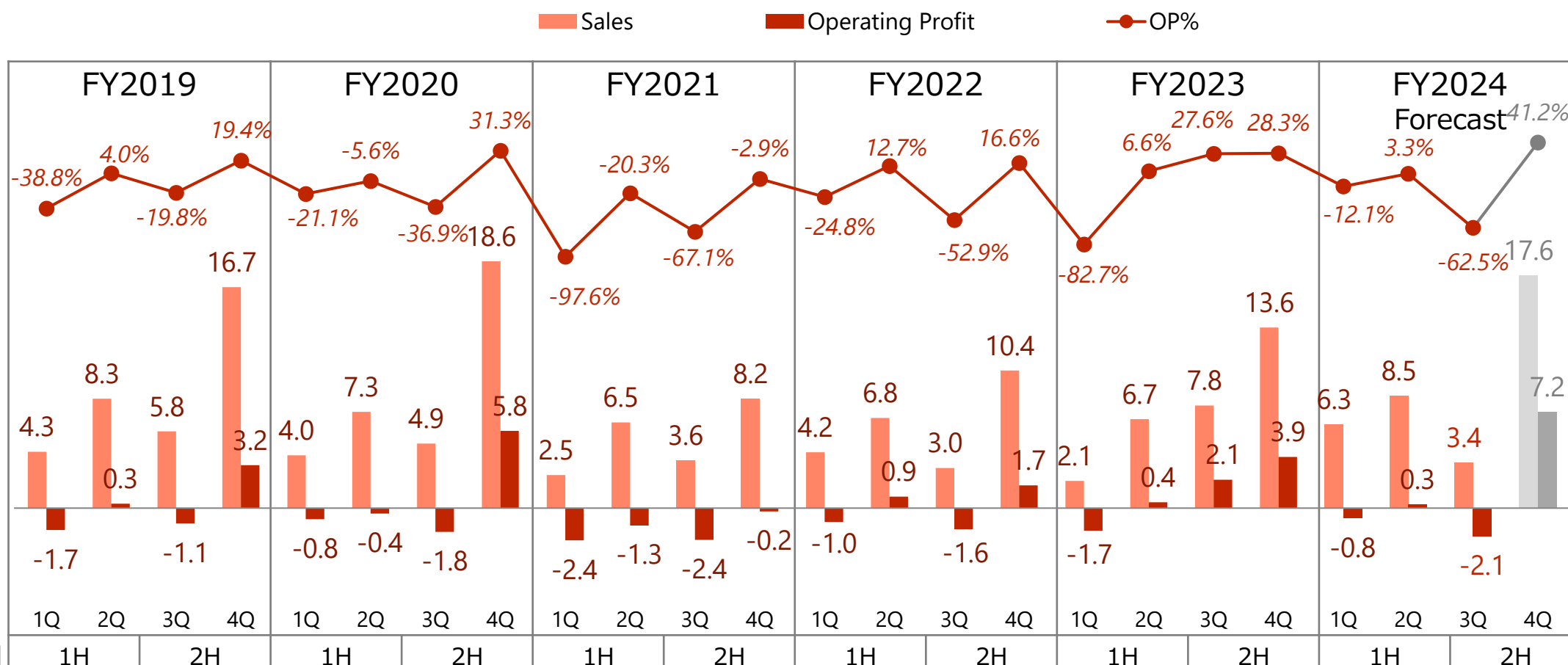


[100 million yen]

	FY2019		FY2020		FY2021		FY2022		FY2023		FY2024 Forecast	
	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H
Sales	125	130	106	122	128	143	155	173	147	165	164	177
Operating profit	11.9	13.6	8.9	12.6	8.3	12.7	14.0	12.3	10.3	14.3	13.4	14.6
OP %	9.6%	10.5%	8.4%	10.3%	6.5%	8.9%	9.0%	7.1%	7.0%	8.7%	8.2%	8.2%

\*The 4Q forecast in the FY24 graph has not been revised.  
Therefore, the sum of 3Q and 4Q in the graph does not match the second-half figures in the table.

# Quarterly Forecast of Sales & Profit by Information Equipment



[100 million yen]

	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H
Sales	12.5	22.5	11.3	23.5	9.0	11.8	11.0	13.4	8.8	21.4	14.8	21.2
Operating profit	-1.3	2.1	-1.2	4.0	-3.7	-2.6	-0.2	0.1	-1.3	6.0	-0.5	1.5
OP %	-10.6%	9.3%	-11.1%	17.2%	-41.8%	-22.4%	-1.6%	0.8%	-14.3%	28.1%	-3.3%	7.0%

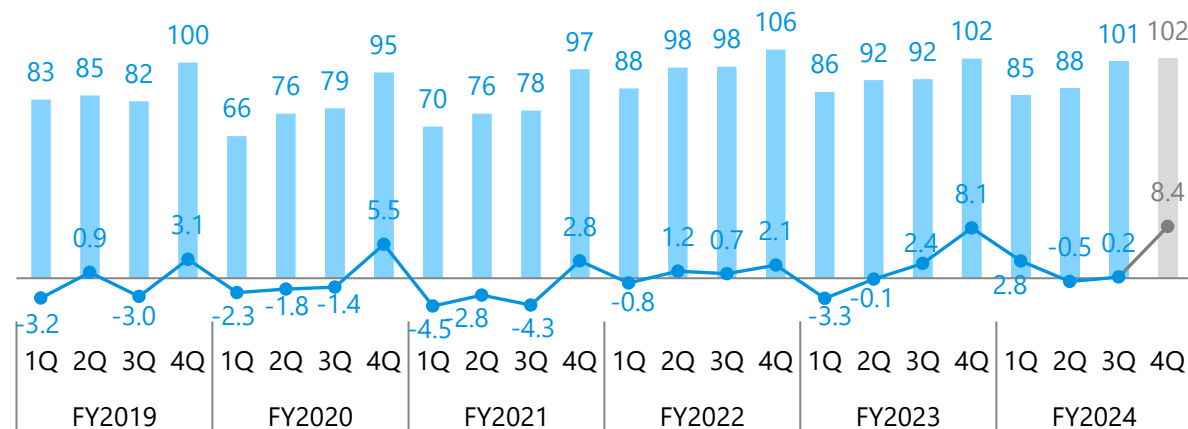
\*The 4Q forecast in the FY24 graph has not been revised.  
Therefore, the sum of 3Q and 4Q in the graph does not match the second-half figures in the table.

# Quarterly Forecast of Sales & Profit by Area

■ Sales

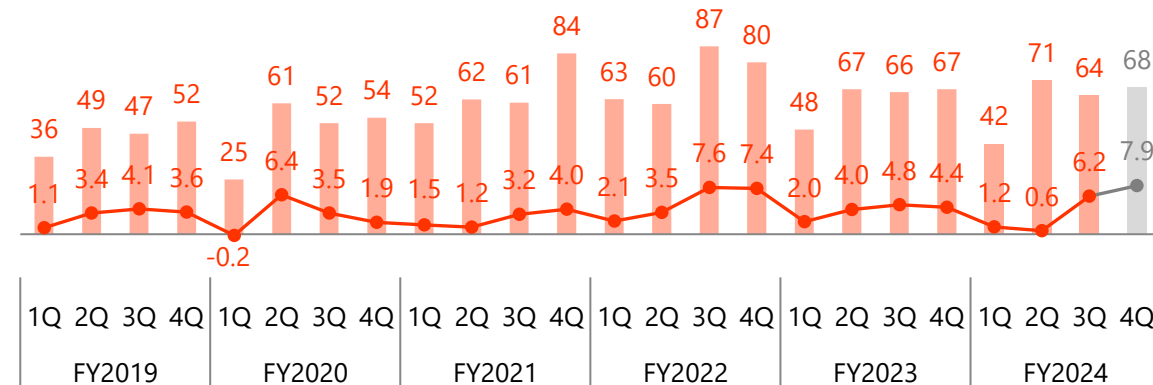
● Operating profit  
[100 million yen]

## Japan

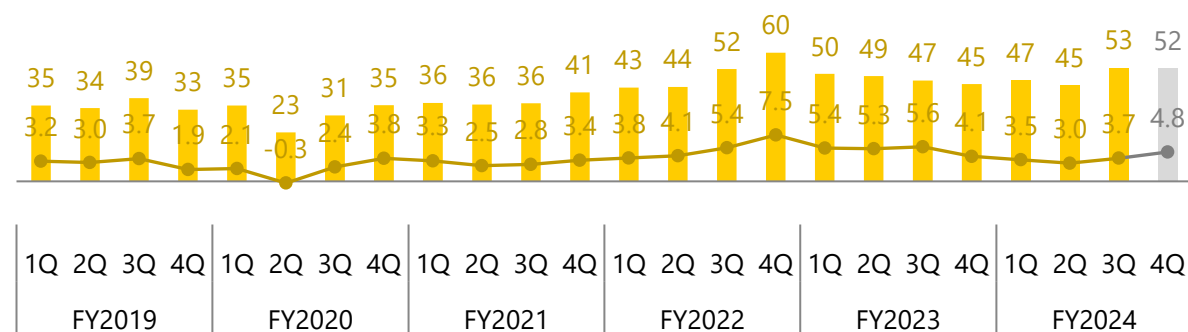


\* Japan Operating Profit includes consolidation adjustments

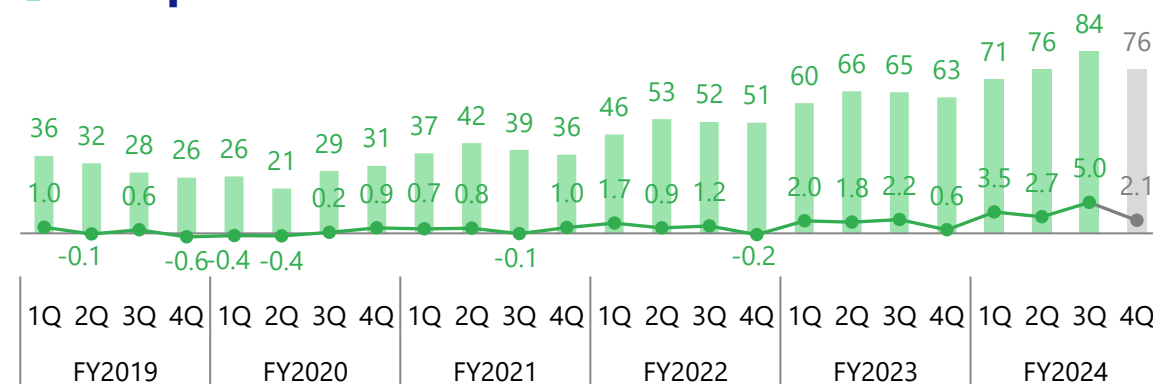
## China



## Rest of Asia



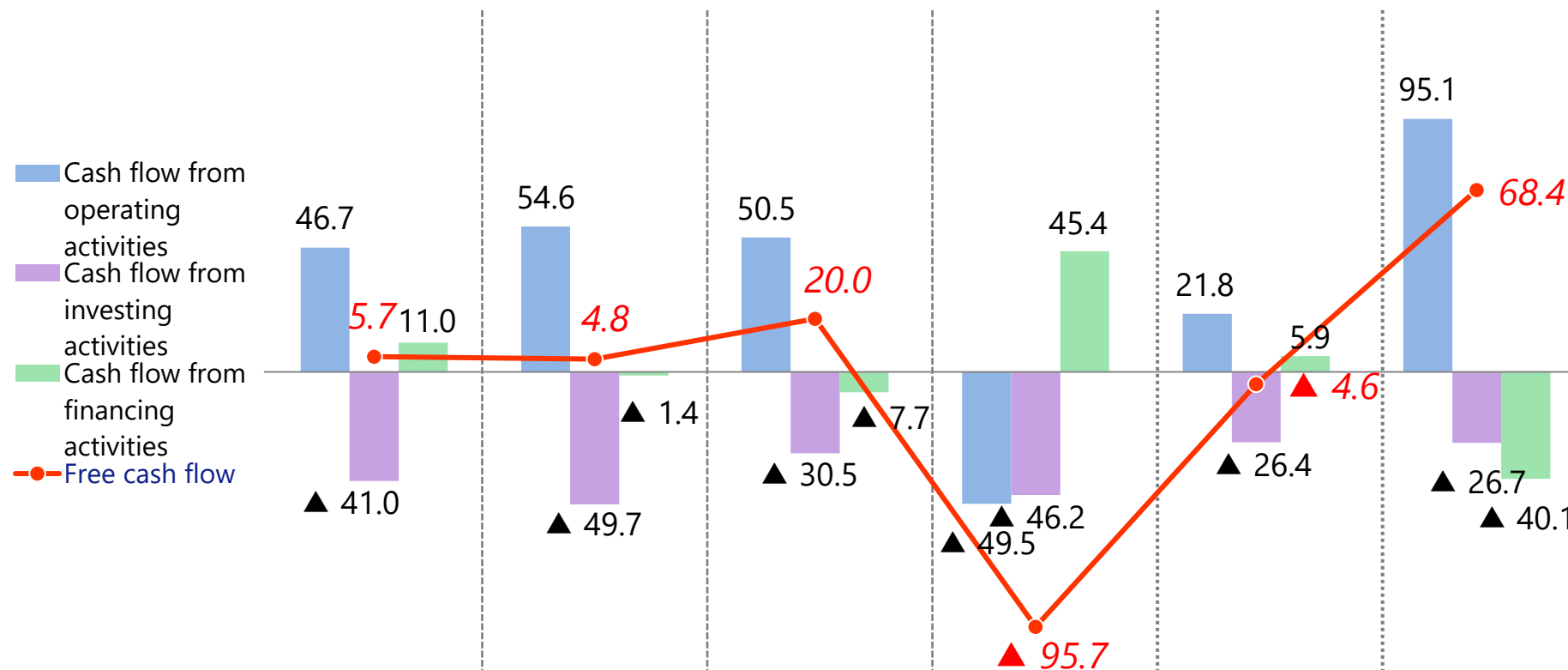
## Europe and the Americas



\* The 4Q forecast for FY24 has not been revised, so the total for FY24 does not match the full-year forecast.

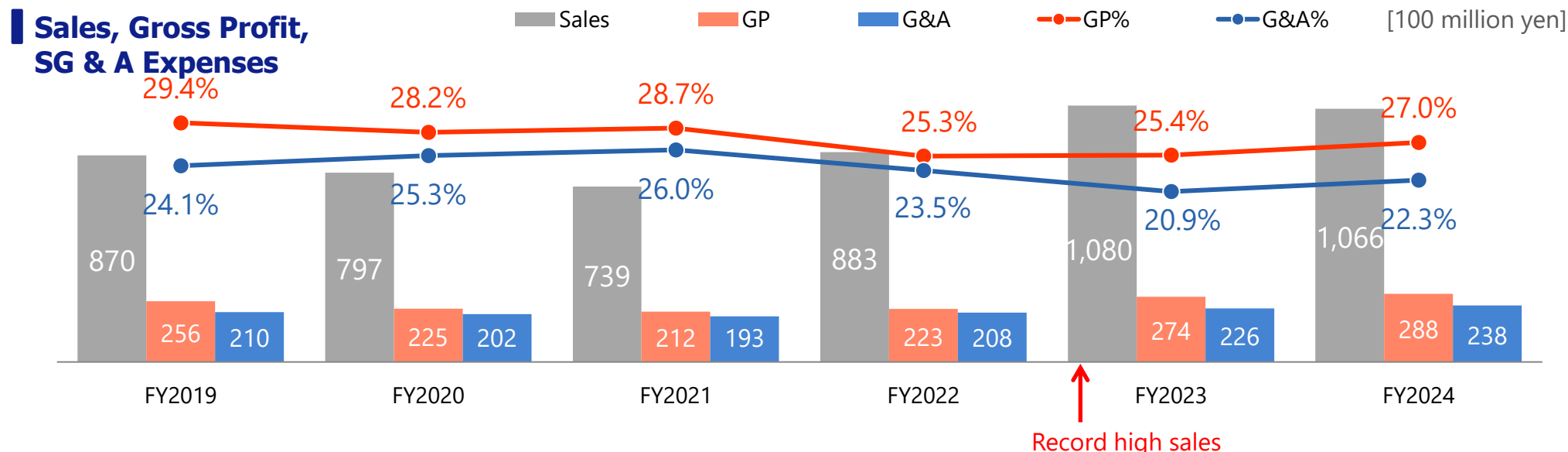
# Cash Flow

[100 million yen]



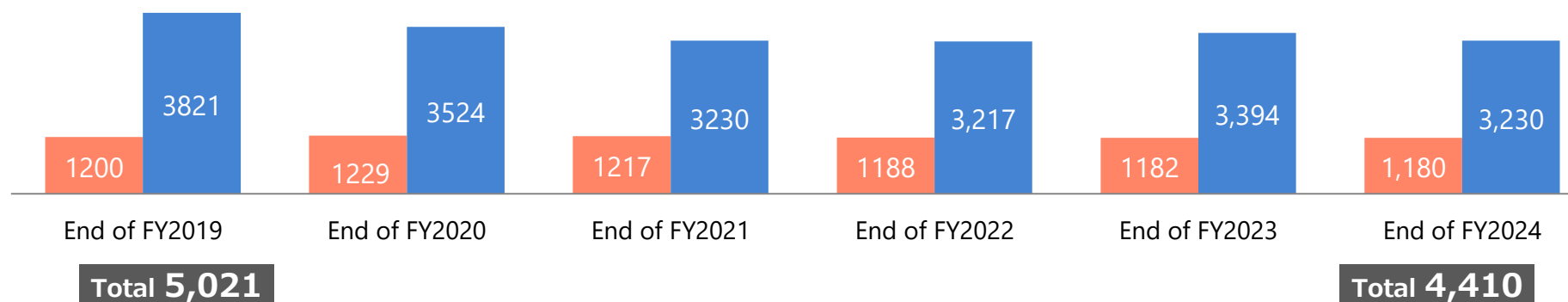
	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Increase/decrease in cash and cash equivalents	12.4	2.7	10.7	▲43.0	7.3	33.7
End of financial year	158.4	161.1	171.9	128.9	136.2	169.9

# Sales, Gross Profit, SG & A Expenses and the Number of Employees



## Number of Employees

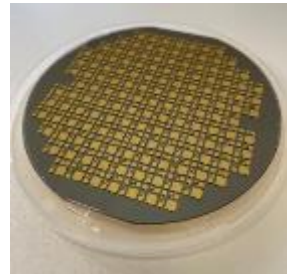
Legend: Japan (Orange bar), Over sea (Blue bar)



# Contributing to Carbon Neutrality ~R&D of Gallium Oxide Power Semiconductors

- ◆ Novel Crystal Technology, Inc. (NCT), established independently from our R&D department, is advancing the R&D of gallium oxide ( $\text{Ga}_2\text{O}_3$ ) power semiconductors, expected to contribute to carbon neutrality.

## R&D of Gallium Oxide Power Semiconductors



## Initiatives of TAMURA & NCT



- Provision of patented technology
- Technical & sales support
- Collaboration in peripheral products and materials



Novel Crystal Technology, Inc.

- Developing, manufacturing & supplying  $\beta\text{-Ga}_2\text{O}_3$  homo-epitaxial wafers & devices

- $\beta\text{-Ga}_2\text{O}_3$ : New semiconductor material for power devices which has larger band-gap energy and low costs compared with SiC and GaN
- R&D Team: NCT, Tamura, the National Institute of Information and Communications Technology (NICT) in Japan & the Tokyo University of Agriculture and Technology are the core figures of the R&D team and lead the world in this field
- NCT: Non-consolidated affiliate of Tamura (approx. 40% stake) . Established in 2015 to actively bring in external capital and to speedily develop and promote commercialization with an independent management



[Home - Novel Crystal Technology, Inc.](https://www.novel-crystal.com/)

### [Latest R&D Results of NCT]

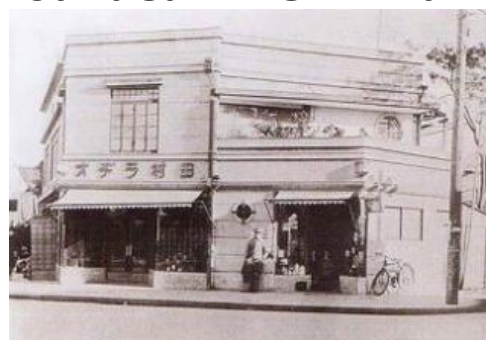
- September 2022: World's first inverted gallium oxide DI-MOS transistor
- December 2022: Developed Crystal defect imaging technology of gallium oxide power semiconductors
- April 2023: Operation succeed as 350W output power continuous current power factor correction circuit with gallium oxide Schottky barrier diodes for the first time in Japan
- December 2023 : World's first successful fabrication of 6-inch  $\beta\text{-Ga}_2\text{O}_3$  crystals by the vertical Bridgman method.

# Tamura's History

Tamura Corporation founded on May 11, 1924, and celebrates its 100<sup>th</sup> anniversary this year.

Starting manufacturing and sales of radios and electronic components at the time of its founding, Tamura Corporation now offers products and services that meet various market needs in three business areas: Electronic Components, Electronic Chemical / FA Systems, and Information Equipment.

## Founded in 1924 Tamura Radio Store

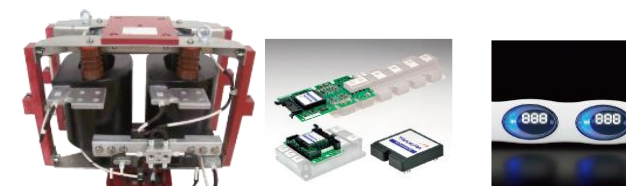


Manufacturing and sales of **Radio and Phonographs**

Internal production of **Transformers**

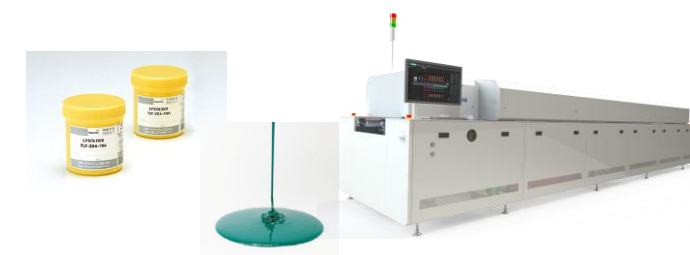
Pursuit of Transformers

Electronic  
Components



Pursuit of  
Soldering technology

Electronic  
Chemicals/  
FA Systems



Pursuit of  
Audio & Communication  
technology

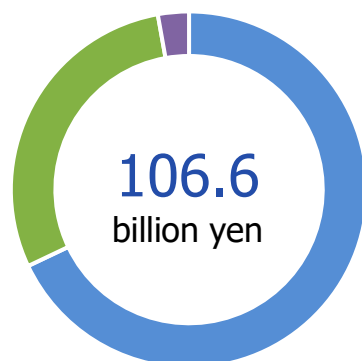
Information  
Equipment





# Business Domain

## Sales by Business Segment



### Electronic Components

Sales: 72.5 billion yen  
Operating profit: 2.96 billion yen  
OP%: 4.1%

#### Main products

Transformers  
Reactors  
Coils  
Large transformers and reactors  
Battery chargers  
Power modules  
Gate driver  
Current sensors  
LED-related products etc.



Transformers, coils and reactors, and large reactors

LED-related products for vending machines



Power modules, current sensors, and gate drivers



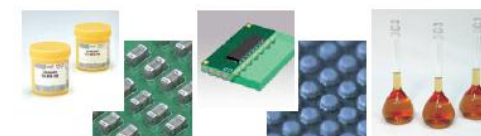
Security and IoT related products

### Electronic Chemicals/FA Systems

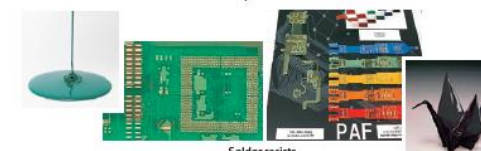
Sales: 31.2 billion yen  
Operating profit: 2.46 billion yen  
OP%: 7.9%

#### Main products

Solder paste  
Flux  
Solder resists  
FA Systems etc.



Solder paste and flux



Solder resists

FA Systems

### Information Equipment

Sales: 3.0 billion yen  
Operating profit: 0.47 billion yen  
OP%: 15.7%

#### Main products

Audio mixing console  
Wireless intercom  
Wireless microphone etc.



Audio mixing console for broadcast use

Wireless devices

( For the fiscal year ending March 2024)

# Business Field



Tamura's Technologies Supporting Society, Industry, and Everyday Life

Tamura's products, including materials, components, and devices, support various industries and social infrastructure, ranging from everyday items like automobiles and electronics to manufacturing equipment, renewable energy sectors, and even space.

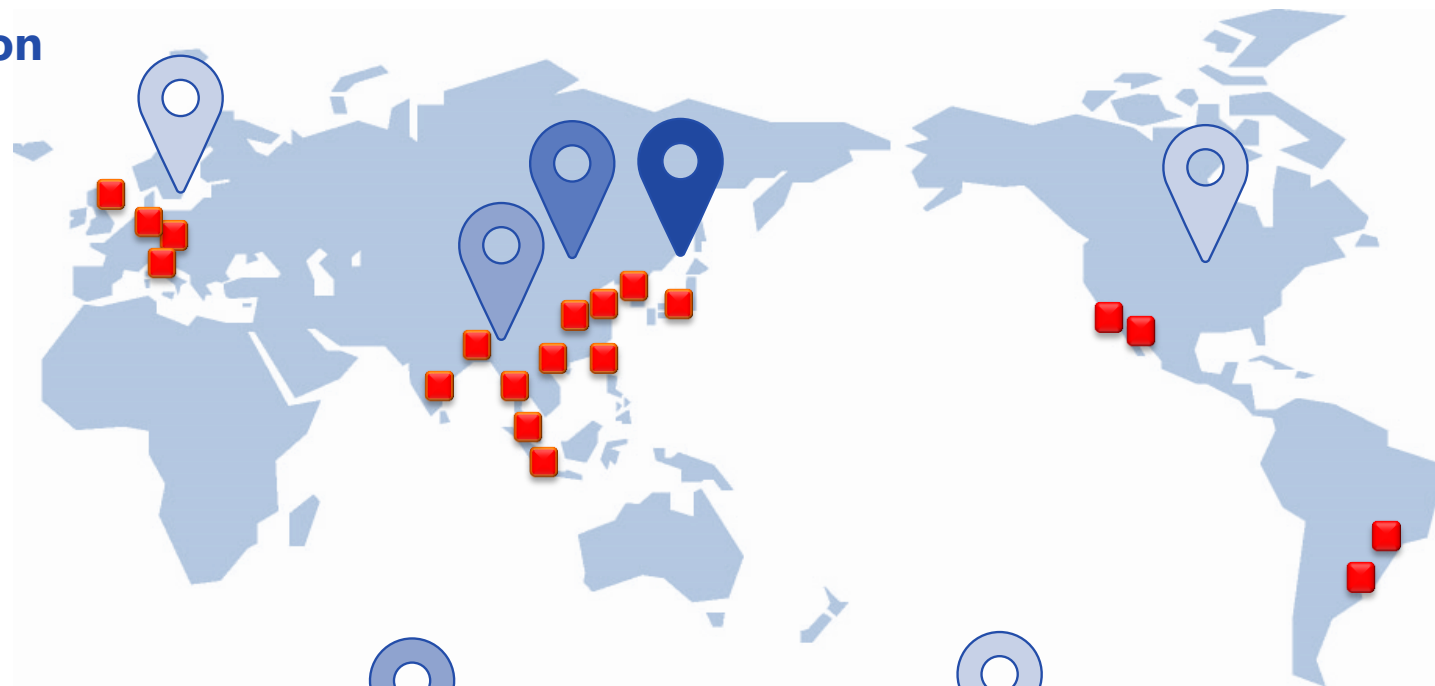
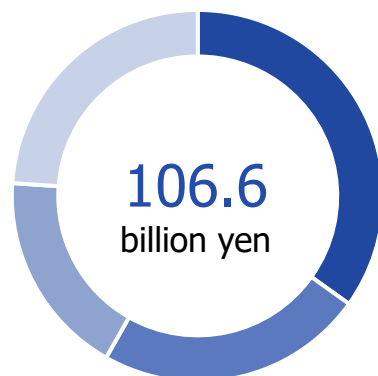


# Regional overview



Sales by region

Employees by region



## Japan

- Sales: 37.2 billion yen
- Employees: 1,180
- Factory: 5



## China

- Sales: 24.9 billion yen
- Employees: 1,698
- Factory: 8



## Rest of Asia

- Sales: 19.2 billion yen
- Employees: 974
- Factory: 5



## Europe and the Americas

- Sales: 25.5 billion yen
- Employees: 558
- Factory: 3

For the fiscal year ending March 2024 and as of March 31, 2024

# Global Network



**TAMURA EUROPE LIMITED.  
O.S. (CZECH BRANCH)**



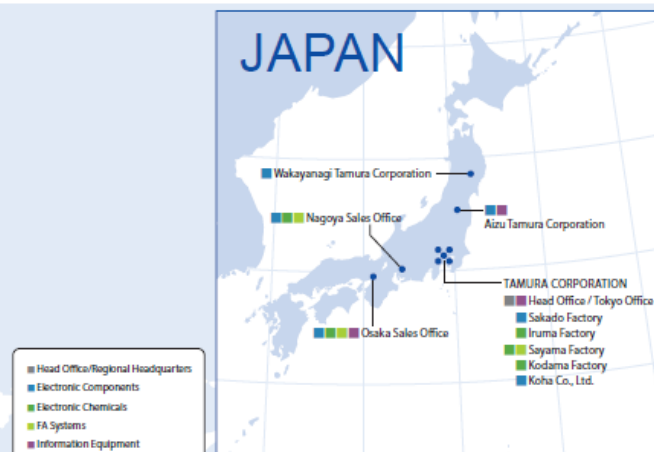
**TAMURA CORPORATION  
(THAILAND) CO., LTD.**



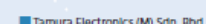
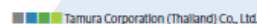
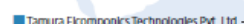
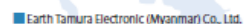
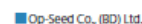
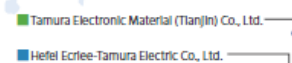
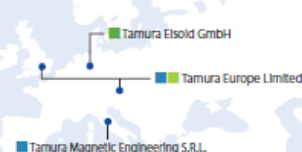
**OP-SEED CO., (BD) LTD.**



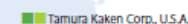
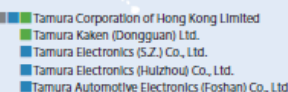
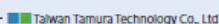
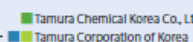
**TAMURA CORPORATION  
OF KOREA**



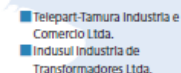
## EUROPE



## ASIA



## AMERICAS



**TAMURA POWER TECHNOLOGIES  
DE MEXICO, S.A. DE C.V.**



**TAMURA ELECTRONICS (HUI  
ZHOU) CO., LTD.**



**TAMURA ELECTRONICS  
(SUZHOU) CO., LTD.**



**SHANGHAI XIANGLE  
TAMURA ELECTRO CHEMICAL  
INDUSTRY CO., LTD.**

# Caution Concerning Forward-looking Statements

The forward-looking statements, including the financial results forecast shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance.

Corporate Communications

TAMURA CORPORATION