

Financial Results Summary for the Second Quarter of the Fiscal Year Ending March 2025

(From April 1, 2024 to September 30, 2024)



November 15, 2024

- I. Financial Results Summary for the Second Quarter of the Fiscal Year Ending March 2025
- II. Plan for consolidated performance for 2025/03 Term

I. Financial Results Summary for the Second Quarter of the Fiscal Year Ending March 2025

II. Plan for consolidated performance for 2025/03 Term

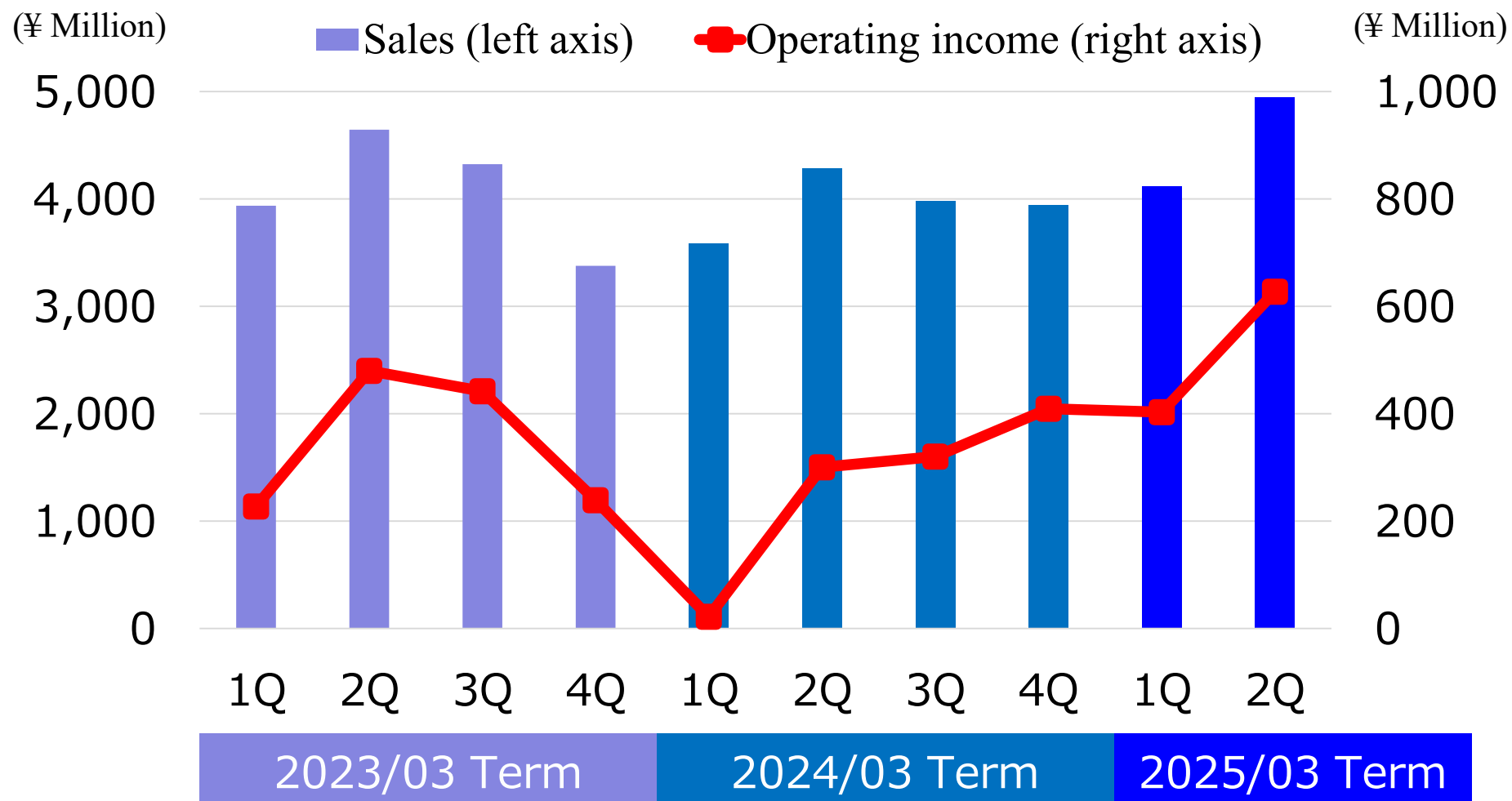
Highlights of financial results for the consolidated second quarter of the fiscal year ending March 2025 (1)

(¥ Million)	Fiscal year ending March 31, 2025 Interim period	Fiscal year ending March 31, 2024 Interim period	Year-on-year percentage change	Plan performance values May 13, 2024
Sales Amount	9,062	7,864	+15.2%	8,030
Operating Profit	1,030	322	+219.1%	450
Ordinary Profit	1,046	473	+120.8%	500
Net income	772	301	+155.9%	320

- Strong performance in the Optical Products Business has resulted in record high interim net sales
- Profits were significantly higher than the plan due to strong sales of highly profitable products

Highlights of financial results for the consolidated second quarter of the fiscal year ending March 2025 (2)

■ Quarterly transition in consolidated earnings



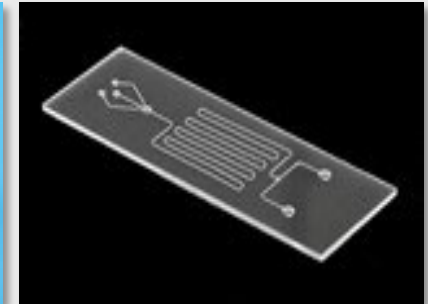
Highlights of financial results for the consolidated second quarter of the fiscal year ending March 2025 (3)

(¥ Million)	Fiscal year ending March 31, 2025 Interim period	Fiscal year ending March 31, 2024 Interim period	Year-on-year percentage Change
Orders Received	9,918	7,377	+34.4%
Order backlog	3,633	2,084	+74.4%
Equipment Investment	294	202	+44.9%
Depreciation Expenses	474	503	-5.7%
R & D Expenses	232	230	+1.0%

Main products and technologies of the Precision Machinery Division

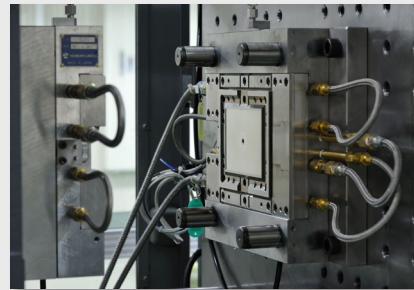
◆ Molded products

Automotive insert molded products
Metal press molded products
Resin injection molded products, etc.



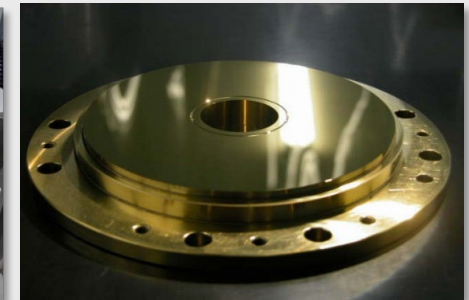
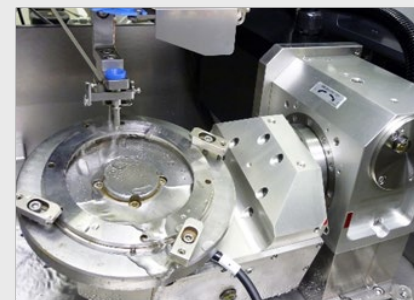
◆ Molds

Molds for data-archive discs
Other precision molds



◆ Other

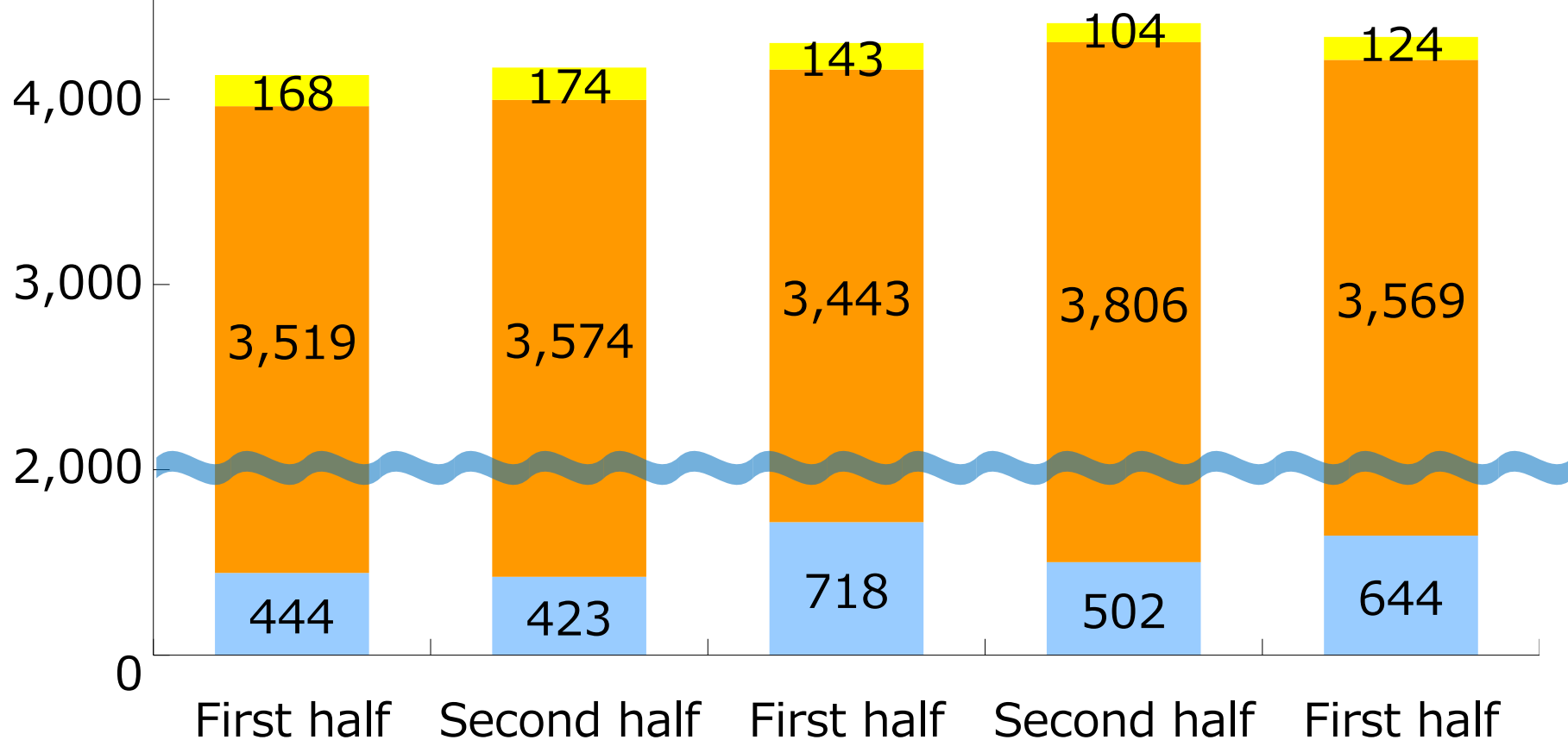
Precision processed metal parts, etc.



Sales Amounts by Product / Precision Machinery

¥ Million

■ Molds ■ Molded products ■ Other



2023/03 Term

2024/03 Term

2025/03 Term

Business Results by Segment Precision Machinery

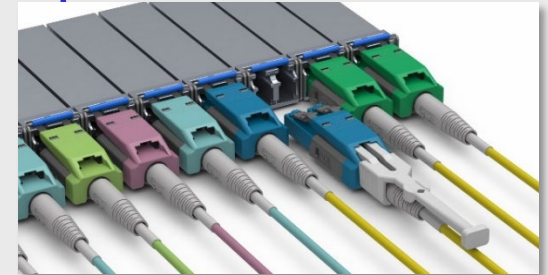
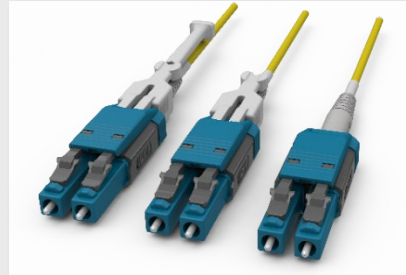
(¥ Million)	Fiscal year ending March 31, 2025 Interim period	Fiscal year ending March 31, 2024 Interim period	Year-on-year percentage change	Plan performance values (May 13, 2024)
Sales Amount	4,337	4,304	+ 0.8%	4,340
Operating expenses	4,148	4,095	+ 1.3%	4,090
Operating Profit	189	209	-9.5%	250
Operating Profit Ratio	4.4%	4.9%	—	5.8%

- Net sales of automotive components were weak due to the sluggish Chinese market and the impact of improper certification
- Profit decreased compared to the plan and the previous fiscal year due to an increase in prices of metal materials and personnel expenses

Main products and technologies of the Optical Products Division

◆ Optical communication network components

Optical connectors
Ferrules, etc.

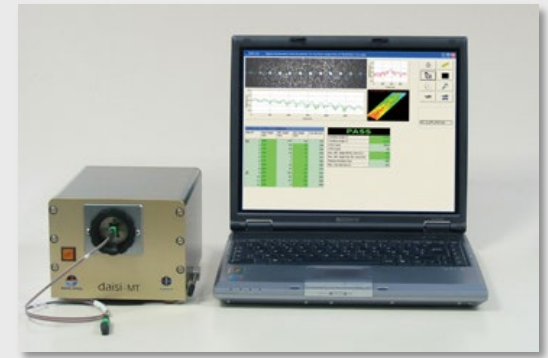


◆ Manufacturing machinery and equipment

Optical connector polishing machines



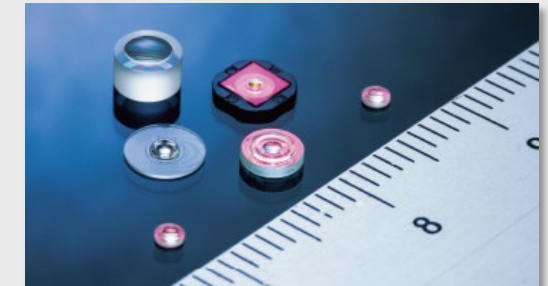
Inspection equipment for optical connector end faces



Optical electric field sensors, etc.

◆ Other

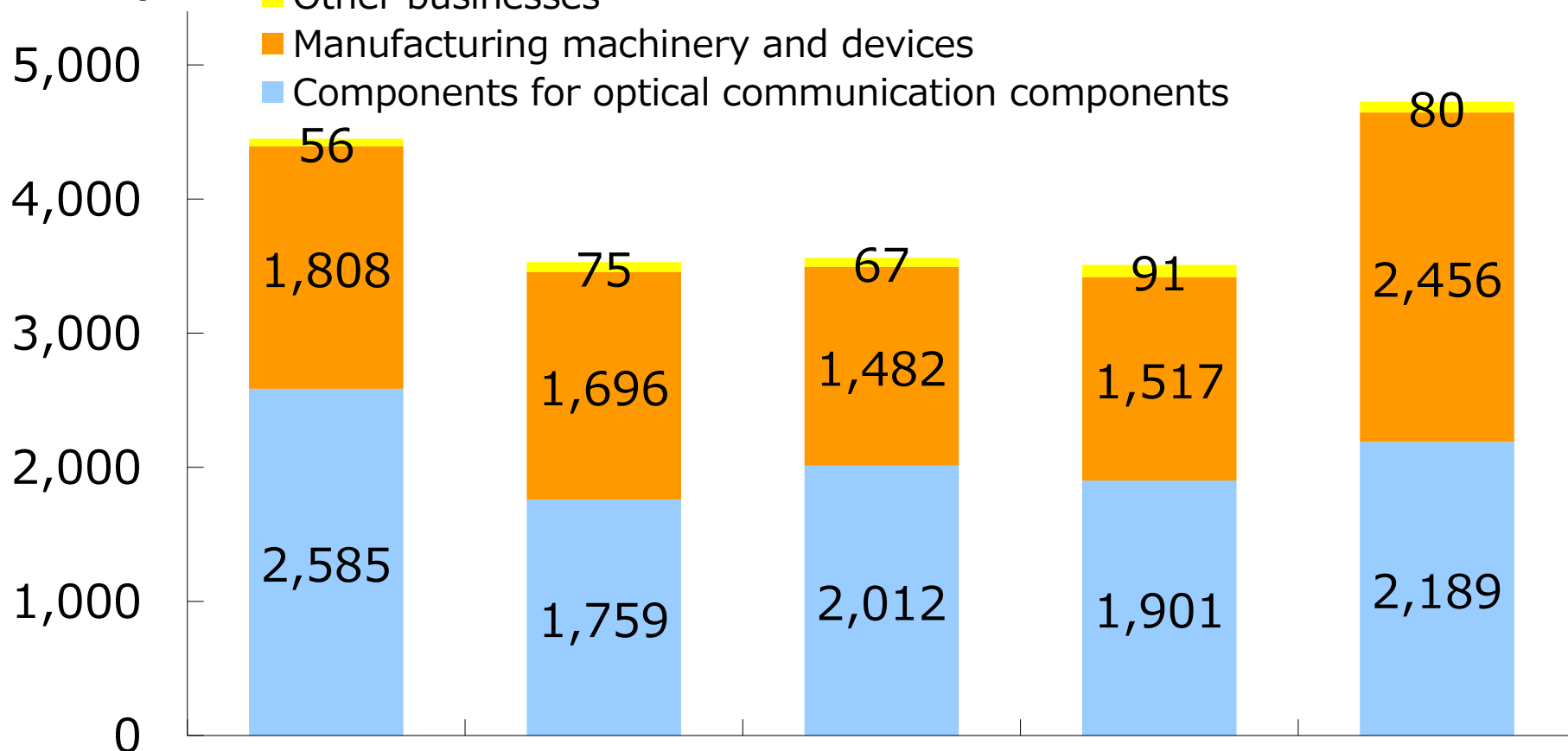
Micro lenses, etc.



Sales Amounts by Product / Fiber Optic Components & Instrumental

¥ Million

- Other businesses
- Manufacturing machinery and devices
- Components for optical communication components



First half Second half First half Second half First half

2023/03 Term

2024/03 Term

2025/03 Term

Business Results by Segment/ Fiber Optic Components & Instrumental

(¥ Million)	Fiscal year ending March 31, 2025 Interim period	Fiscal year ending March 31, 2024 Interim period	Year-on-year percentage change	Plan performance values (May 13, 2024)
Sales Amount	4,725	3,560	+32.7%	3,690
Operating expenses	3,884	3,446	+12.7%	3,490
Operating Profit	840	113	+639.4%	200
Operating Profit Ratio	17.8%	3.2%	—	5.4%

- Net sales of equipment and devices rose sharply due to increased demand for optical connectors for data centers
- Operating income significantly exceeded the plan and the previous year due to increased net sales of equipment and devices

Consolidated Balance Sheet

(¥ Million)

[Assets]	Fiscal year ending March 31, 2025 Interim period	Fiscal year ending March 31, 2024	Amount Change
Current Assets	23,808	22,738	+1,069
Fixed Assets	9,519	9,487	+ 31
Total Assets	33,327	32,226	+1,101
[Liabilities and Net Assets]			
Current Liabilities	3,768	3,425	+343
Fixed Liabilities	1,454	1,614	-160
Net Assets	28,104	27,186	+918
Total Liabilities/Net Assets	33,327	32,226	+1,101

Consolidated Cash Flow Statement

(¥ Million)	Fiscal year ending March 31, 2025 Interim period	Fiscal year ending March 31, 2024 Interim period
CF - Operating	978	63
CF - Investing	-342	-1,250
CF- Financing	-504	-487
Increase in Cash	269	-1,554
Balance at the beginning of term	5,065	5,193
Balance at the end of term	5,335	3,639

The basic strategy for the fiscal year ending March 31, 2025

Maximization of economic value: business growth

Rejuvenating contact points with customers

- Improving volume and quality of contacts with customers
- Increased share of deals with existing customers
- Development of new customers

Accelerating development of new products and new technologies

- New product development based on market information
- Strengthened management of development times
- Strategic acquisition of patents

Improving manufacturing capabilities

- Improved production efficiency through AI, automation, etc.
- Stable procurement of good, low-cost materials
- Maintaining quality that meets customer demands

Optimization of social value: sustainability

Reinforcing the management base

- Establishing an environment in which diverse personnel can vibrantly work
- Adoption of cloud, paperless business practices, DX
- Contribution to decarbonization and creation of a resource recycling society

Business measures for the first half of the fiscal year ending March 31, 2025

Maximization of economic value

Rejuvenating contact points with customers

- Improving volume and quality of contacts with customers
- Increased share of deals with existing customers
- Development of new customers

Strengthening participation in trade shows



Exhibited eight times at trade shows both in Japan and overseas during the first half of the fiscal year

Includes joint exhibits with consolidated subsidiaries such as Fuji Electronics Industries and DATA PIXEL

Attracted attention to **optical components** and **automated manufacturing equipment for data centers**

Business measures for the first half of the fiscal year ending March 31, 2025

Maximization of economic value

Accelerating development of new products and new technologies

- New product development based on market information
- Strengthened management of development times
- Strategic acquisition of patents

Released automatic polishing machines for optical connectors



SFPS-V1 automatic polishing machines

Space-saving, wide variety of products and supports large outer diameter cables

Mechanization of processes from transfer of polishing pads to end-face cleaning of optical connectors **saves labor and **improves productivity** for customers**

Received orders from major optical connector manufacturers

Business measures for the first half of the fiscal year ending March 31, 2025

Maximization of economic value

Improving manufacturing capabilities

- Improved production efficiency through AI, automation, etc.
- Stable procurement of good, low-cost materials
- Maintaining quality that meets customer demands

MG Co., Ltd. made a consolidated subsidiary

◆ Basic information (Fiscal year ended March 31, 2024)



Main sites	Miyagi Prefecture (two factories), Yamagata Prefecture (one factory)
Capital	100 million yen
Date of establishment	January 30, 1970
Employees	131
Business results	Net sales: 2,341 million yen Ordinary income: 574 million yen



* Business results are prior to the application of the "Accounting Standard for Revenue Recognition."

Stable supply of molded plastic and molded plastic magnetic products for the vehicle, stationery, and other markets through a 24-hour production system

Acquired a wider range of injection molding technologies and advanced automated molding technologies

Business measures for the first half of the fiscal year ending March 31, 2025

Optimization of Social values

Reinforcing the management base

- Establishing an environment in which diverse personnel can vibrantly work
- Adoption of cloud, paperless business practices, DX
- Contribution to decarbonization and creation of a resource recycling society

Creation of comfortable work place environments



In September 2024, we were awarded **"Kurumin Certification"** by the Ministry of Health, Labour and Welfare as a company that supports child rearing

I. Financial Results Summary for the Second
Quarter of the Fiscal Year Ending March 2025

**II. Plan for consolidated performance for
2025/03 Term**



Medium-term Management Plan "Master Plan 2022"

(Fiscal years 2022 to 2026)

Medium-term management targets (P&L indicators)

FY2026 targets: Net sales of 25 billion yen,
operating income of 2.5 billion yen or more (¥ Million)

■ Consolidated sales 25,000

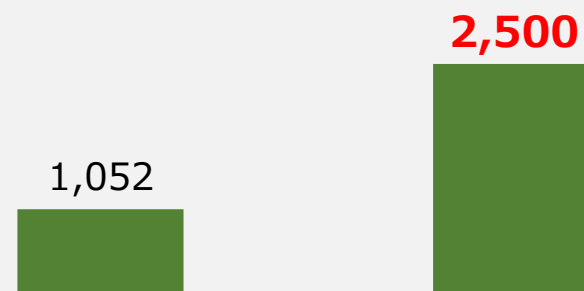


Fiscal Year 2023 results

2026 plan

■ Precision Machinery Business ■ Optical Products Business

■ Consolidated operating income 2,500



Fiscal Year 2023 results

2026 plan

(¥ Million)	FY2023 results	FY2026 plan	Vs. FY2023
Precision Machinery Business	8,716	11,500	132%
Optical Products Business	7,069	13,500	191%
Consolidated sales	15,785	25,000	158%
Consolidated operating income	1,052	2,500	238%
Operating income margin	6.7%	10%	+ 3.3%

Revision of the consolidated results projections for the fiscal year ending March 31, 2025

(¥ Million)	First-half results	Revised second-half plan	Revised full-year plan (November 11)	Year-earlier actual results	Change in percent year on year
Sales Amount	9,062	8,938	18,000	15,785	+ 14.0%
Operating Profit	1,030	970	2,000	1,052	+ 90.1%
Ordinary Profit	1,046	1,004	2,050	1,269	+ 61.5%
Net profit	772	728	1,500	761	+ 97.1%

- Data center-related demand is expected to remain strong from the second half as well
- Continue to focus on securing orders and sales by rejuvenating contact points with customers in the second half as well
- Strengthen progress management for new product development and accelerate the development of new products and new technologies

Plan for the 2nd half by division

(Precision machinery related products)

(¥ Million)	First-half results	Revised second-half plan (in MG Co., Ltd.)	Revised full-year plan (November 11)	Year-earlier actual results
Sales Amount	4,337	4,463 (400)	8,800	8,716
Operating Profit	189	251 (50)	440	664
Rejuvenating contact points with customers		Accelerating development of new products and new technologies		Improving manufacturing capabilities

- Create synergies through collaboration with MG (made a subsidiary on October 25)
- Strengthen participation at trade shows to increase points of contact with new customers
- Increased production of compressor and investor parts for electric vehicles
- Accelerate development of molded resin products for medical use, such as microfluidic devices
- Commercialization of in-mold coating technology

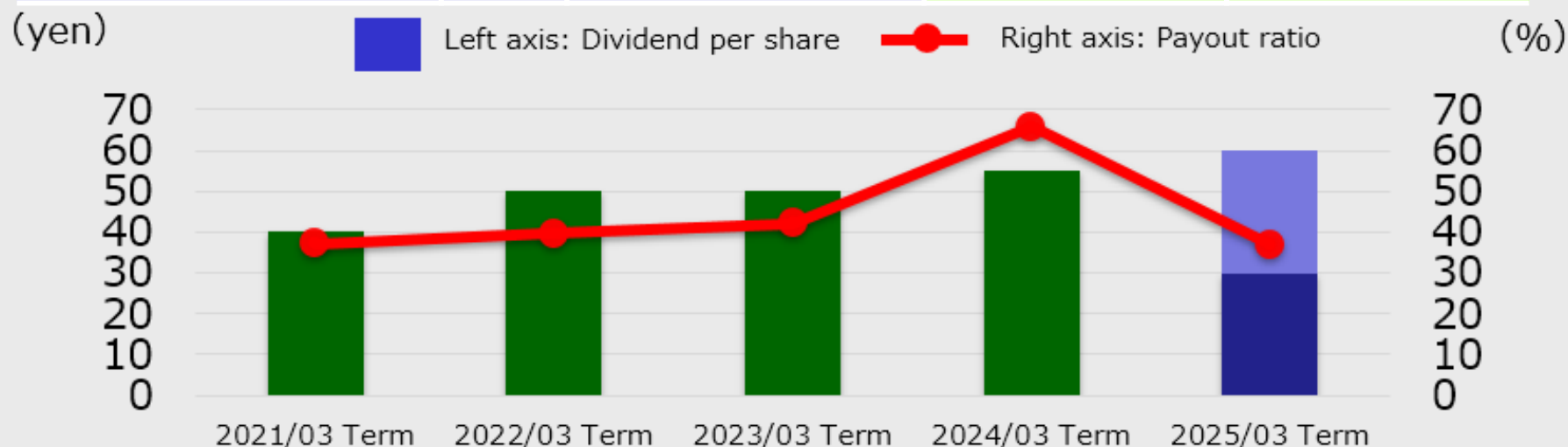
Plan for the 2nd half by division (Optical related products)

(¥ Million)	First-half results	Revised second-half plan	Revised full-year plan (November 11)	Year-earlier actual results
Sales Amount	4,725	4,475	9,200	7,069
Operating Profit	840	720	1,560	388
Rejuvenating contact points with customers		Accelerating development of new products and new technologies		Improving manufacturing capabilities

- Steadily acquire orders for data center-related needs, which are rejuvenating
- Develop and expand sales of products with automation functions that contribute to improving productivity for customers
- Develop optical devices that enable optoelectronic fusion at the core of the IOWN concept
- Expand production capacity for optical connector polishers and measuring instruments
- Start of operations of SEIKOH GIKEN (THAILAND)

Concerning shareholder returns

		Forecast of the 2025/03 Term		Results for the 2024/03 Term	Results for the 2023/03 Term
Net income for the period attributable to shareholders of the parent company	million yen	1,500		761	1,082
Dividend per share	yen	Interim 30	60	55	50
		Year-end 30			
Payout ratio	%	37.0		65.9	42.1





SEIKOH GIKEN