



ROHM Co., Ltd. Financial Highlights for the Year Ended March 31, 2024

May 8, 2024

Consolidated Financial Results

(Figures are rounded down to the nearest million yen. Any fraction less than the unit is rounded off)

		'24/3	'23/3	Change from the previous year		'25/3 (Projected)				
				Change from the previous year		Note1				
				Actual	Actual	Amount	Percentage	Annual	Change from the previous year	First six months
Net sales	Millions of yen	467,780	507,882	-40,102	-7.9%	480,000	+2.6%	225,000	-6.0%	
Cost of sales	Millions of yen	322,088	314,220	+7,868	+2.5%	350,600		160,700		
Selling, general and administrative expenses	Millions of yen	102,365	101,344	+1,021	+1.0%	115,400		58,300		
Operating profit	Millions of yen	43,327	92,316	-48,989	-53.1%	14,000	-67.7%	6,000	-79.9%	
		(9.3%)	(18.2%)	(-8.9%)		(2.9%)		(2.7%)		
Ordinary profit	Millions of yen	69,200	109,530	-40,330	-36.8%	18,000	-74.0%	8,000	-84.0%	
		(14.8%)	(21.6%)	(-6.8%)		(3.8%)		(3.6%)		
Profit attributable to owners of parent	Millions of yen	53,965	80,375	-26,410	-32.9%	14,000	-74.1%	7,500	-79.9%	
		(11.5%)	(15.8%)	(-4.3%)		(2.9%)		(3.3%)		
Figures in () indicate ratio to sales.										
Net income per share	Note2	yen	138.81	204.66	-65.85	-32.2%	36.27		19.43	
ROE		%	5.7	9.2						
ROA		%	4.1	7.5						
Net assets per share	Note2	yen	2,506.78	2,330.49	+176.29	+7.6%				
EBITDA	Note3	Millions of yen	115,396	148,456	-33,060	-22.3%	106,700	-7.5%	48,000	-21.7%
Capital expenditures		Millions of yen	186,755	126,116	+60,639	+48.1%	165,000	-11.6%	68,600	+7.3%
Depreciation		Millions of yen	72,069	56,140	+15,929	+28.4%	92,700	+28.6%	42,000	+33.5%
Research and development costs		Millions of yen	44,423	42,560	+1,863	+4.4%	55,400	+24.7%	28,100	+35.6%
Foreign exchange gains (losses)		Millions of yen	(gain)12,407	(gain)11,387	(gain)1,020					
Number of employees		Number	23,319	23,754	-435	-1.8%				
Foreign exchange rate (Average yen-dollar rate)		yen/US\$	144.40	134.95	+9.45	+7.0%	145.49		145.92	

(Note) 1. As the projected data are based on the information that ROHM is currently acquiring as well as specific prerequisites judged as legitimate, actual data may be considerably different due to various factors.

2. The Company implemented a four-for-one common stock split, effective October 1, 2023. "Net income per share" and "Net assets per share" are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

3. EBITDA is calculated by adding back depreciation to operating profit.

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Note: This report is a translation of the financial highlights of the Company prepared in accordance with the provisions set forth in the Securities and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan. The original version of this report is written in Japanese. In the event of any discrepancies in words, accounts, figures, or the like between this report and the original, the



Financial Report for the the Year Ended March 31, 2024

[Based on Japanese Standard] (Consolidated)

May 8, 2024

Stock Exchange Listings: Tokyo

Listed Company Name: ROHM CO., LTD.

Code No.: 6963 URL <https://www.rohm.com>

Company Representative: (Title) President, Chief Executive Officer

(Name) Isao Matsumoto

Contact Person: (Title) Corporate Officer, in charge of

Finance and Director of Corporate Strategy Headquarters

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Scheduled Date of Annual Meeting of Shareholders June 26, 2024 Scheduled Dividend Payment Date

June 27, 2024

Scheduled Date of Securities Report for Submission June 26, 2024

Supplementary Material Prepared for Account Closing: Yes

Financial Results Briefing Available: Yes (For analysts and institutional investors)

(Figures are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Year Ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(1) Consolidated Results of Operations (Accumulated total)

(The percentages [%] represent change from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	467,780	-7.9	43,327	-53.1	69,200	-36.8	53,965	-32.9
Year ended March 31, 2023	507,882	12.3	92,316	29.2	109,530	32.7	80,375	20.3

(Note) Comprehensive income Year ended March 31, 2024: 92,062 million yen (-3.8%)

Year ended March 31, 2023: 95,709 million yen (11.9%)

	Net income per share	Diluted net income per share	Net income to equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	138.81	134.35	5.7	5.3	9.3
Year ended March 31, 2023	204.66	198.34	9.2	10.2	18.2

(Reference) Investment loss (-gain) on equity method Year ended March 31, 2024: — million yen

Year ended March 31, 2023: — million yen

(Note) The Company implemented a four-for-one common stock split, effective October 1, 2023. "Net income per share" and "Diluted net income per share" are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2024	1,481,274	968,102	65.3	2,506.78
Year ended March 31, 2023	1,123,283	915,465	81.4	2,330.49

(Reference) Shareholder's equity Year ended March 31, 2024: 967,471 million yen

Year ended March 31, 2023: 914,912 million yen

(Note) The Company implemented a four-for-one common stock split, effective October 1, 2023. "Net assets per share" are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	82,858	-431,952	265,063	228,104
Year ended March 31, 2023	98,628	-88,738	-22,153	294,254

2. Dividend Details

	Dividend per share					Total annual dividend	Payout ratio (consolidated)	Dividend on net assets ratio (consolidated)
	End of the first quarter	End of the interim	End of the third quarter	End of year	Annual			
Year ended March 31, 2023	—	100.00	—	100.00	200.00	19,629	24.4	2.2
Year ended March 31, 2024	—	100.00	—	25.00	—	19,298	36.0	2.1
Year ending March 31, 2025 (Estimates)	—	25.00	—	25.00	50.00		137.8	

(Note) The Company implemented a four-for-one common stock split, effective October 1, 2023. The dividend per share before the Interim of this fiscal year shows the actual amount before the stock split. The annual dividend is not shown due to the inability to simply total the dividend due to the stock split. The annual dividend on a pre-split basis is 200.00 yen per share.

3. Consolidated Financial Results Forecast for the Year Ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

(The percentages [%] shown for annual figures represent change from the previous year and those for the interim figures represent change from the same time of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Interim	225,000	-6.0	6,000	-79.9	8,000	-84.0	7,500	-79.9		19.43
Annual	480,000	2.6	14,000	-67.7	18,000	-74.0	14,000	-74.1		36.27

*Note

(1) Changes in Major Subsidiaries During the Year Ended March 31, 2024

(Changes to specified subsidiaries accompanying revision on the scope of consolidation): None

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Revisions

[1] Changes in accounting policies according to revision to accounting standards:	None
[2] Other changes in accounting policies other than items indicated in [1]:	None
[3] Change in accounting estimates:	None
[4] Restatement of revisions:	None

(4) Number of Shares Outstanding (common shares)

[1] Year-end number of shares outstanding (incl. treasury stocks)	Year ended March 31, 2024	412,000,000 shares
	Year ended March 31, 2023	412,000,000 shares
[2] Year-end number of treasury stocks	Year ended March 31, 2024	26,058,900 shares
	Year ended March 31, 2023	19,429,112 shares
[3] Average number of shares during the period (Accumulated total of the quarter)	Year ended March 31, 2024	388,753,297 shares
	Year ended March 31, 2023	392,566,376 shares

(Note) The Company implemented a four-for-one common stock split, effective October 1, 2023. "Year-end number of shares outstanding", "Year-end number of treasury stocks" and "Average number of shares during the period" are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(Reference) Summary of non-consolidated operating results

1. Non-consolidated Financial Results for the Year Ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(1) Non-consolidated Results of Operations

(The percentages [%] represent change from the previous year.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	385,581	-11.4	-7,913	—	17,437	-76.0	11,305	-78.7
Year ended March 31, 2023	434,951	13.2	53,691	59.0	72,721	16.5	53,019	-0.4

	Net income per share	Diluted net income per share
	Yen	Yen
Year ended March 31, 2024	29.08	27.87
Year ended March 31, 2023	135.06	130.77

(Note) The Company implemented a four-for-one common stock split, effective October 1, 2023. "Net income per share" and "Diluted net income per share" are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2024	938,158	486,116	51.8	1,259.56
Year ended March 31, 2023	673,676	515,374	76.5	1,312.82

(Reference) Shareholder's equity Year ended March 31, 2024: 486,116 million yen

Year ended March 31, 2023: 515,374 million yen

(Note) The Company implemented a four-for-one common stock split, effective October 1, 2023. "Net assets per share" is calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

<Reasons for year-over-year variance in non-consolidated financial results>

A variance between sales and profits for the fiscal year ended March 31, 2023 (previous year) and March 31, 2024 (current year) can be largely explained by the slowdown in demand for semiconductors in the industrial equipment and consumer product markets.

*This financial report is not subject to auditing by Certified Public Accountant or Audit Firm.

*Explanation on Adequate Usage of Financial Results Forecast

Statements on financial results forecasts in this financial report are based on current information acquired by ROHM as well as specific legitimate premises for making decisions, therefore ROHM makes no promises as to attaining these forecasts.

Actual financial results may be considerably different due to various factors. For conditions and notes used for making prepositions of financial forecasts, please refer to "1. Overview of Business Results and Financial Condition, (4) Future Outlook on the Financial Report for the Year Ended March 31, 2024 (Page 2 on the Appendix).

The financial results presentation materials and supplementary materials will be disclosed via TDnet and posted on the Company's website on May 9, 2024.

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1. Overview of Business Results and Financial Condition

(1) Overview of Business Results for the Fiscal Year Ended March 31, 2024

General Overview of Business Performance

During the fiscal year ended March 31, 2024, the outlook for the global economy remained uncertain due to concerns over economic slowdown, reflecting aggressive monetary tightening by central banks in the United States and Europe, weak domestic demand in China due in part to the struggling real estate sector, and mounting instability in the Middle East.

In the electronics industry, the automotive market saw continued growth due to recovery in automobile production volume resulting from overall improvement in semiconductor procurement, as well as an increase in the number of electronic components used per vehicle due to progress in vehicle electrification and the increased use of automotive electronics, despite automotive-related component inventory adjustments and temporary halts in production and shipments due to natural disasters and other factors. The industrial equipment market entered a cautious phase as businesses showed reluctance to make capital investments, reflecting growing concerns about higher interest rates and the slowing global economy. The consumer product market and communication equipment market continued to suffer from weak demand. The computers and storage market has undergone major production adjustments since 2023, and although the market showed signs of recovery, conditions remained challenging.

Working within this business environment, we proceeded with the development of new products and technologies for power and analog devices, where the ROHM Group excels, targeting the automotive and industrial equipment markets, in which medium- to long-term growth is expected. Through such efforts, we promoted total solutions that can extensively contribute to meeting customer needs for energy saving and miniaturization.

In terms of production, we continued to take action to achieve total optimization within the Company and advanced the installation of labor-saving and automated production lines through “monozukuri (manufacturing) innovation.” In addition, although we made production adjustments for general-purpose devices in light of recent increases in inventory levels, we strove to ensure the stable supply of products to customers by improving productivity and increasing production capacity to cope with fast-growing demand for SiC and other power devices.

As a result, consolidated net sales for the fiscal year ended March 31, 2024 decreased to 467,780 million yen, down 7.9% from the previous fiscal year, as sales increased year over year in the automotive market, which we are focusing on, but declined in other markets, including the industrial equipment market. Operating profit decreased to 43,327 million yen, down 53.1% from the previous fiscal year, and operating margin declined to 9.3% from 18.2% in the previous fiscal year.

Ordinary profit decreased to 69,200 million yen, down 36.8% from the previous fiscal year due to an increase in commission income and interest income, while operating profit decreased.

Profit attributable to owners of parent decreased to 53,965 million yen, down 32.9%.

Moreover, EBITDA,* an accounting metric that we emphasize in the ROHM Group, was 115,396 million yen for the fiscal year ended March 31, 2024, down 22.3% from the previous fiscal year.

* EBITDA (Earnings before interest, taxes, depreciation and amortization)

An accounting metric widely used around the world to compare businesses in terms of earning power, calculated by adding interest and depreciation to a company’s pretax earnings. The ROHM Group simplifies the EBITDA calculation by adding back depreciation to operating profit.

Overview of Performance by Segment**Integrated Circuits (ICs)**

By market, in the automotive market, sales of isolated gate driver ICs for powertrain applications increased steadily in line with the accelerating popularization of xEVs (the generic name for electromotive vehicles, such as hybrid electric vehicles, plug-in hybrid electric vehicles and fuel cell electric vehicles), while sales of other high-value-added ICs, such as automotive light-emitting diode (LED) driver ICs and high-performance semiconductor power switches (IPDs), were also firm. In the consumer product market, while sales of motor driver ICs for energy-saving air conditioners did well, sales of ICs for audio-visual (AV) equipment and home electronic appliances saw the biggest decline. In the computers and storage market, sales of motor driver ICs and power management ICs for personal computers (PCs) and office equipment declined. Sales of ICs for the industrial equipment and communication equipment markets continued to face headwinds.

As a result, consolidated net sales in this segment for the fiscal year ended March 31, 2024 were 207,222 million yen, down 11.3% from the previous fiscal year, and segment profit was 21,269 million yen, down 55.8%.

Discrete Semiconductor Devices

By business, sales of transistors and diodes in the automotive market, particularly for xEVs, remained strong, but sales continued to struggle in the industrial equipment market, consumer product market and computers and storage market. Sales of power devices in the automotive market were strong, particularly for xEVs, but market growth slowed in China and elsewhere. In the industrial equipment market, sales were strong in certain fields, such as AI servers, but sales in the consumer product market and computers and storage market continued to face difficult conditions. Sales of LEDs and laser diodes slumped, primarily in the consumer product market.

As a result, consolidated net sales in this segment for the fiscal year ended March 31, 2024 were 201,948 million yen, down 4.8% from the previous fiscal year, and segment profit was 12,964 million yen, down 62.5%.

Modules

By business, in optical modules, sales of sensor modules for smartphones increased, but sales of printheads declined primarily for payment terminal devices.

As a result, consolidated net sales in this segment for the fiscal year ended March 31, 2024 were 32,908 million yen, down 4.1% from the previous fiscal year, and segment profit was 2,005 million yen, down 53.2%.

Others

By business, sales of high-reliability resistors, such as high-power resistors and shunt resistors, were strong in the automotive market, but sales of resistors declined in the industrial equipment market.

As a result, consolidated net sales in this segment for the fiscal year ended March 31, 2024 were 25,701 million yen, down 6.9% from the previous fiscal year, and segment profit was 2,154 million yen, down 57.7%.

Sales referenced in the “Overview of Performance by Segment” section above were to customers outside of the ROHM Group.

(2) Financial Condition

Total assets were 1,481,274 million yen, an increase of 357,991 million yen from the end of the previous fiscal year, which can be largely explained by increases respectively in investment securities of 296,671 million yen, property, plant and equipment of 114,559 million yen, inventories of 28,186 million yen, partially offset by a decrease in cash and deposits of 53,218 million yen and securities of 31,454 million yen.

Total liabilities were 513,172 million yen, an increase of 305,355 million yen from the end of the previous fiscal year, which can be largely explained by increases respectively in short-term borrowings of 300,000 million yen, accounts payable (other) of 12,553 million yen and deferred tax liabilities of 8,001 million yen partially offset by a decrease in income taxes payable of 16,203 million yen.

Total net assets were 968,102 million yen, an increase of 52,637 million yen from the end of the previous fiscal year, which can be largely explained by increases respectively in foreign currency translation adjustment of 38,436 million yen, retained earnings of 34,501 million yen due to the recording of profit attributable to owners of parent partially offset by a decrease in acquisition of treasury shares of 19,976 million yen.

As a result, the equity ratio decreased to 65.3% from 81.4% at the end of the previous fiscal year.

(3) Cash Flow

Cash flows from operating activities were positive 82,858 million yen, down 15,770 million yen from the previous fiscal year's positive 98,628 million yen, which can be largely explained by decreases in notes and accounts receivable – trade and inventories and increase of depreciation as positive factors, partially offset by a decrease in profit before income taxes and an increase in income taxes paid as negative factors.

Cash flows from investing activities were negative 431,952 million yen, an increase in expenditures of 343,213 million yen from the previous fiscal year's negative 88,738 million yen, which can be largely explained by increases in subsidies received and decrease of time deposits as positive factors, partially offset by increases in payment for purchases of short-term and long-term investment securities and purchases of property, plant and equipment as negative factors.

Cash flows from financing activities were positive 265,063 million yen, an increase in expenditures of 287,216 million yen from the previous fiscal year's negative 22,153 million yen, which can be largely explained by increases in short-term borrowings and commission income received as positive factors, partially offset by an increase in payment for purchase of treasury shares as a negative factor.

After factoring in an increase of 17,880 million yen in effect of exchange rate change, cash and cash equivalents were 228,104 million yen, a decrease of 66,150 million yen from the end of the previous fiscal year.

The events that will likely materially affect cash flows for the fiscal year ending March 31, 2025 include planned capital investment of 165.0 billion yen and depreciation of 92.7 billion yen.

(4) Future Outlook

The outlook for the global economy remains unclear due to growing concerns over geopolitical risks, rising interest rates due to global inflation, and unstable foreign exchange markets, among other factors. The electronics industry will likely continue to benefit from the further promotion of energy savings to combat climate change and help realize a decarbonized society as well as firm capital investment for factory automation and digitalization around the world.

Looking ahead, stable growth is expected in the automotive market, especially in power and analog devices, on which the ROHM Group focuses. This is largely attributable to the wind-down of automotive-related component inventory adjustments, increased global automobile production volume, as well as the promotion of vehicle electrification and automotive electronics use. The industrial equipment market is expected to see an upturn in the latter half of the fiscal year but faces continued inventory adjustments and sluggish demand in the first half and is forecast to be down from the previous fiscal year on a full-year basis. Gradual recovery is expected in the consumer product market. The computers and storage market is expected to see quick market recovery, following the automotive market, due in part to demand related to AI and PC replacement.

As for profits, a temporary slowdown in earnings growth is unavoidable due to increase in depreciation from upfront investment to increase production capacity for SiC power semiconductors. However, demand for SiC power semiconductors is expected to grow dramatically in the medium to long term, especially for electric vehicles and industrial equipment. We believe that quickly establishing a supply system that can stably respond to this growing demand will lead to increased future international competitiveness in the power and analog fields. By continuing to steadily advance the Medium-Term Management Plan, we will build a robust management foundation and enhance corporate value.

Our forecast for consolidated financial results and the consolidated sales of individual segments for the fiscal year ending March 31, 2025 is as follows.

<Consolidated Financial Results Forecast>

	Year ended March 31, 2024 Result	Year ending March 31, 2025 Forecast	Percent change from the previous year
Net sales	467.7 billion yen	480.0 billion yen	+2.6%
Operating profit	43.3 billion yen	14.0 billion yen	-67.7%
Ordinary profit	69.2 billion yen	18.0 billion yen	-74.0%
Profit attributable to owners of parent	53.9 billion yen	14.0 billion yen	-74.1%

<Consolidated Sales Forecast by Segment>

	Year ended March 31, 2024 Result	Year ending March 31, 2025 Forecast	Percent change from the previous year
ICs	207.2 billion yen	212.3 billion yen	+2.5%
Discrete Semiconductor Devices	201.9 billion yen	213.4 billion yen	+5.7%
Modules	32.9 billion yen	30.0 billion yen	-8.8%
Others	25.7 billion yen	24.2 billion yen	-5.7%

The forecasts are based on an exchange rate of 145 yen to US\$1.

(5) Basic Policy for Profit Distribution, and Dividends for the Fiscal Year Ended March 31, 2024 and the Fiscal Year Ending March 31, 2025

[1] Basic Policy for Profit Distribution

In the semiconductor and electronic component business, the ROHM Group wants to meet shareholder expectations by further improving business results from both medium- to long-term perspectives through forward-looking investments in equipment, plants, and research and development (R&D) activities, as well as in merger and acquisition (M&A) activities.

The ROHM Group believes that, while it is important to continue these efforts to achieve sustainable growth, it is also necessary to find ways to share profits that can balance our financial conditions and capital requirements with investor expectations and thus to improve our overall corporate value.

Our policy on shareholder returns is to target a dividend payout ratio on a consolidated basis of 30%, and we will strive to actively return profits to shareholders by considering additional return measures depending on the situation.

As for free cash flows from business activities, we will use it actively for capital investments and merger and acquisition (M&A) opportunities to enhance shareholder value in the medium to long term. Also, we will improve financial efficiency and strive to improve various management metrics such as return on equity (ROE).

[2] Profit Distribution for the Fiscal Year Ended March 31, 2024

In light of our business performance for the fiscal year ended March 31, 2024 and our policy of ensuring proactive dividend payouts to shareholders, we plan to pay a year-end dividend of 25 yen per share.

[3] Profit Distribution Plan for the Fiscal Year Ending March 31, 2025

Profit distribution for the fiscal year ending March 31, 2025 will take into consideration our business performance and cash flow in that fiscal year, as well as our policy of ensuring proactive dividend payouts to shareholders. We plan to pay a total of 50 yen per share for the upcoming fiscal year, which consists of an interim dividend of 25 yen per share and a year-end dividend of 25 yen per share.

[4] Purchase of Treasury Shares

The ROHM Group will purchase treasury shares on a timely basis to improve capital efficiency.

[5] Retirement of Treasury Shares

As a guideline, the ROHM Group sets 5% of its total outstanding shares as the maximum limit of its treasury shares holdings, and, in principle, any amount beyond this limit is retired at the end of each fiscal year. As for the treasury shares on hand, the Group will continue holding them in order to ensure management flexibility, such as for M&A activities and other needs as required.

2. Basic Thinking behind the Selection of Accounting Standards

The ROHM Group's accounting practices comply with Japanese accounting standards.

In preparation for the future application of the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS), the ROHM Group has been conducting related research and analyses, including identifying differences between IAS/IFRS and Japanese accounting standards, but no decision has been made yet as to when the ROHM Group will adopt IAS/IFRS.

3. Consolidated Financial Statements and Important Notes
 (1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	291,154	237,936
Notes and accounts receivable - trade	100,472	88,934
Electronically recorded monetary claims - operating	9,277	6,858
Securities	38,093	6,639
Merchandise and finished goods	53,779	52,469
Work in process	79,646	95,696
Raw materials and supplies	62,059	75,505
Income taxes refund receivable	1,884	8,043
Other	17,669	20,730
Allowance for doubtful accounts	-56	-68
Total current assets	653,979	592,747
Non-current assets		
Property, plant and equipment		
Buildings and structures	307,833	346,623
Accumulated depreciation	-197,559	-214,767
Buildings and structures, net	110,273	131,855
Machinery, equipment and vehicles	745,760	858,825
Accumulated depreciation	-633,016	-703,955
Machinery, equipment and vehicles, net	112,744	154,869
Tools, furniture and fixtures	61,333	66,204
Accumulated depreciation	-53,177	-57,054
Tools, furniture and fixtures, net	8,155	9,150
Land	68,285	71,814
Construction in progress	59,279	105,414
Other	8,780	9,212
Accumulated depreciation	-3,748	-3,984
Other, net	5,032	5,228
Total property, plant and equipment	363,771	478,330
Intangible assets		
Goodwill	497	198
Other	5,225	8,060
Total intangible assets	5,722	8,258
Investments and other assets		
Investment securities	76,976	373,647
Retirement benefit asset	1,875	3,110
Deferred tax assets	7,663	10,210
Other	13,788	15,590
Allowance for doubtful accounts	-494	-621
Total investments and other assets	99,810	401,937
Total non-current assets	469,303	888,527
Total assets	1,123,283	1,481,274

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,157	16,134
Electronically recorded obligations - operating	4,112	3,866
Accounts payable - other	54,086	66,639
Income taxes payable	21,353	5,150
Short-term borrowings	—	300,000
Current portion of bonds payable	—	40,136
Other	36,196	34,088
Total current liabilities	131,907	466,016
Non-current liabilities		
Bonds payable	40,336	—
Deferred tax liabilities	22,539	30,540
Retirement benefit liability	10,819	12,185
Other	2,215	4,431
Total non-current liabilities	75,910	47,156
Total liabilities	207,817	513,172
Net assets		
Shareholders' equity		
Share capital	86,969	86,969
Capital surplus	102,416	102,433
Retained earnings	721,151	755,652
Treasury shares	-39,880	-59,857
Total shareholders' equity	870,656	885,199
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34,007	32,868
Foreign currency translation adjustment	12,149	50,586
Remeasurements of defined benefit plans	-1,901	-1,182
Total accumulated other comprehensive income	44,256	82,272
Non-controlling interests	552	630
Total net assets	915,465	968,102
Total liabilities and net assets	1,123,283	1,481,274

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	507,882	467,780
Cost of sales	314,220	322,088
Gross profit	193,661	145,692
Selling, general and administrative expenses	101,344	102,365
Operating profit	92,316	43,327
Non-operating income		
Interest income	3,509	6,002
Dividend income	950	901
Foreign exchange gains	11,387	12,407
Commission income	—	6,000
Other	1,546	1,111
Total non-operating income	17,394	26,423
Non-operating expenses		
Interest expenses	133	436
Loss on investments in investment partnerships	7	51
Settlement payments	15	—
Other	24	62
Total non-operating expenses	180	549
Ordinary profit	109,530	69,200
Extraordinary income		
Gain on sale of non-current assets	1,335	4,167
Subsidy income	—	9,861
Total extraordinary income	1,335	14,028
Extraordinary losses		
Loss on sale of non-current assets	24	62
Loss on abandonment of non-current assets	410	811
Loss on tax purpose reduction entry of non-current assets	—	8,861
Impairment losses	301	1,564
Loss on valuation of investment securities	622	246
Total extraordinary losses	1,358	11,546
Profit before income taxes	109,507	71,683
Income taxes - current	28,981	11,399
Income taxes - deferred	122	6,276
Total income taxes	29,104	17,675
Profit	80,403	54,007
Profit attributable to non-controlling interests	27	42
Profit attributable to owners of parent	80,375	53,965

(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	80,403	54,007
Other comprehensive income		
Valuation difference on available-for-sale securities	-5,306	-1,139
Foreign currency translation adjustment	20,460	38,475
Remeasurements of defined benefit plans, net of tax	152	719
Total other comprehensive income	15,306	38,055
Comprehensive income	95,709	92,062
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	95,666	91,981
Comprehensive income attributable to non-controlling interests	43	81

(3) Consolidated Statement of Shareholder's Equity
Year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	86,969	102,411	661,386	-39,915	810,851
Changes during period					
Dividends of surplus			-20,610		-20,610
Profit attributable to owners of parent			80,375		80,375
Purchase of treasury shares				-6	-6
Disposal of treasury shares		5		41	46
Net changes in items other than shareholders' equity					
Total changes during period	—	5	59,765	34	59,805
Balance at end of period	86,969	102,416	721,151	-39,880	870,656

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	39,314	-8,294	-2,054	28,965	536	840,353
Changes during period						
Dividends of surplus						-20,610
Profit attributable to owners of parent						80,375
Purchase of treasury shares						-6
Disposal of treasury shares						46
Net changes in items other than shareholders' equity	-5,306	20,444	152	15,290	16	15,306
Total changes during period	-5,306	20,444	152	15,290	16	75,111
Balance at end of period	34,007	12,149	-1,901	44,256	552	915,465

Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	86,969	102,416	721,151	-39,880	870,656
Changes during period					
Dividends of surplus			-19,463		-19,463
Profit attributable to owners of parent			53,965		53,965
Purchase of treasury shares				-20,005	-20,005
Disposal of treasury shares		17		28	46
Net changes in items other than shareholders' equity					
Total changes during period	—	17	34,501	-19,976	14,542
Balance at end of period	86,969	102,433	755,652	-59,857	885,199

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	34,007	12,149	-1,901	44,256	552	915,465
Changes during period						
Dividends of surplus						-19,463
Profit attributable to owners of parent						53,965
Purchase of treasury shares						-20,005
Disposal of treasury shares						46
Net changes in items other than shareholders' equity	-1,139	38,436	719	38,016	78	38,094
Total changes during period	-1,139	38,436	719	38,016	78	52,637
Balance at end of period	32,868	50,586	-1,182	82,272	630	968,102

(4) Consolidated Statement of Cash Flow

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	109,507	71,683
Depreciation	56,140	72,069
Impairment losses	301	1,564
Increase (decrease) in allowance for doubtful accounts	426	129
Increase (decrease) in retirement benefit liability	610	993
Decrease (increase) in retirement benefit asset	36	58
Interest and dividend income	-4,460	-6,904
Commission income	—	-6,000
Foreign exchange losses (gains)	-6,385	-8,043
Loss (gain) on valuation of short-term and long-term investment securities	622	246
Loss (gain) on sale of non-current assets	-1,311	-4,105
Subsidy income	—	-9,861
Loss on tax purpose reduction entry of non-current assets	—	8,861
Decrease (increase) in trade receivables	2,043	19,417
Decrease (increase) in inventories	-35,734	-18,549
Increase (decrease) in trade payables	-5,489	-3,897
Increase (decrease) in accounts payable - other	24	-247
Other, net	-924	-8,724
Subtotal	115,405	108,691
Interest and dividends received	3,519	7,147
Interest paid	-15	-294
Income taxes refund (paid)	-20,280	-32,685
Net cash provided by (used in) operating activities	98,628	82,858
Cash flows from investing activities		
Decrease (increase) in time deposits	11,166	17,539
Purchase of short-term and long-term investment securities	-2,858	-300,266
Proceeds from sale and redemption of short-term and long-term investment securities	9,158	5,678
Purchase of property, plant and equipment	-100,769	-166,273
Proceeds from sale of property, plant and equipment	2,201	4,771
Subsidies received	—	9,861
Other, net	-7,636	-3,263
Net cash provided by (used in) investing activities	-88,738	-431,952
Cash flows from financing activities		
Purchase of treasury shares	-6	-20,005
Dividends paid	-20,610	-19,463
Increase (decrease) in short-term borrowings	—	300,000
Commission income received	—	6,000
Other, net	-1,535	-1,467
Net cash provided by (used in) financing activities	-22,153	265,063
Effect of exchange rate change on cash and cash equivalents	11,293	17,880
Net increase (decrease) in cash and cash equivalents	-969	-66,150
Cash and cash equivalents at beginning of period	295,223	294,254
Cash and cash equivalents at end of period	294,254	228,104

(5) Notes on Consolidated Financial Statement

(Note on going concern)

No applicable items

(Segment information)

1. Overview of reportable segments

The reportable segments of the ROHM Group are units of the Group for which separated financial information is available, and which is the subject of the periodical review by the board of directors for the purpose of deciding the distribution of management resources and evaluating business performance.

The ROHM Group is a comprehensive manufacturer of electronic components, and sets up operational divisions by individual product categories at its headquarters. Each operational division draws up comprehensive production plans and business strategies for both domestic and overseas operations, and develops global production activities. Therefore, from a management standpoint, the group attaches great importance to the supervision of profits and losses by operational segments organized as operational divisions of individual product categories. For this reason, the Group is consolidating operational segments in consideration of characteristics of the products each operational division is manufacturing and similarities of production process, and setting up three reportable segments as “ICs,” “Discrete semiconductor devices,” and “Modules.”

In the “ICs” segment, products such as analog ICs, logic ICs and memory ICs are manufactured.

Products manufactured in the “Discrete semiconductor devices” segment include diodes, transistors, power devices, LEDs and laser diodes.

Products of the “Modules” segment include printheads and optical modules.

2. Calculating method of amount of sales, profit or loss, asset, and other items of individual reportable segment information

Accounting processing for each reported operating segment is basically identical to accounting standards used for compiling consolidated financial statements.

The segment profit are based on operating profit, while “Inter-segment sales or transfer” are based on market prices.

Although assets of common categories such as sales and administrative expenses, are included in “Adjusted amount,” depreciation costs derived from these assets are allocated to individual segments according to in-house standards to calculate individual segments.

3. Information regarding amount of sales, profit or loss, asset, and other items of individual reportable segment information
Year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjusted amount (Note 2)	Amount on consolidated statement of income (Note 3)
	ICs	Discrete semiconductor devices	Modules	Total				
Sales								
Japan	83,883	58,241	8,714	150,838	4,339	155,178	—	155,178
Asia	129,515	114,572	21,199	265,287	15,091	280,379	—	280,379
Americas	11,518	11,728	1,559	24,807	4,906	29,713	—	29,713
Europe	8,787	27,698	2,852	39,338	3,272	42,610	—	42,610
Revenues from contracts with customers	233,704	212,241	34,326	480,271	27,610	507,882	—	507,882
Other revenues	—	—	—	—	—	—	—	—
Sales								
Sales to customers	233,704	212,241	34,326	480,271	27,610	507,882	—	507,882
Inter-segment sales or transfer	2,675	3,541	4	6,222	44	6,266	-6,266	—
Total	236,379	215,783	34,331	486,493	27,654	514,148	-6,266	507,882
Segment profit	48,158	34,529	4,284	86,971	5,088	92,060	256	92,316
Segment asset	198,857	229,288	17,978	446,124	26,888	473,012	650,270	1,123,283
Other items								
Depreciation	24,326	27,042	2,360	53,730	2,687	56,417	-277	56,140
Amortization of goodwill	—	298	—	298	—	298	—	298
Increase in property, plant and equipment and intangible assets	57,673	57,061	2,054	116,789	3,077	119,867	6,249	126,116

(Note) 1. “Others” is an operational segment that is not included in reportable segments, consisting of business in resistors and tantalum capacitors.

2. Adjusted amount are as follows.

[1] The adjusted amount of the segment profit, 256 million yen, mainly includes general administrative expenses of -150 million yen that do not attribute to the segment, and the settlement adjusted amount of 406 million yen, which is not allocated to the segment (such as adjustment for retirement benefits).

[2] The adjusted amount of 650,270 million yen in segment assets contains corporate assets of 651,700 million yen that have not been allocated to individual segment information and a downward adjustment of non-current assets of -1,430 million yen. Corporate assets do not belong to reported segments, consisting of cash and deposits of 291,154 million yen, notes and accounts receivable (trade) of 100,472 million yen and property, plant and equipment of 89,011 million yen.

[3] The adjusted amount of depreciation is the settlement adjusted amount (after subtracting unrealized gains on fixed assets) that is not allocated to the segment.

[4] Adjustments to increases in property, plant and equipment and intangible assets apply to non-current assets of common categories such as sales and administrative expenses.

3. Segment profits are adjusted with operating profit on consolidated financial statements.

Year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjusted amount (Note 2)	Amount on consolidated statement of income (Note 3)
	ICs	Discrete semiconductor devices	Modules	Total				
Sales								
Japan	81,355	56,505	7,686	145,547	3,825	149,372	—	149,372
Asia	107,618	104,234	20,845	232,698	12,429	245,127	—	245,127
Americas	10,132	11,221	1,522	22,876	5,789	28,665	—	28,665
Europe	8,116	29,987	2,853	40,957	3,657	44,614	—	44,614
Revenues from contracts with customers	207,222	201,948	32,908	442,079	25,701	467,780	—	467,780
Other revenues	—	—	—	—	—	—	—	—
Sales								
Sales to customers	207,222	201,948	32,908	442,079	25,701	467,780	—	467,780
Inter-segment sales or transfer	1,726	4,243	70	6,040	64	6,104	-6,104	—
Total	208,948	206,192	32,978	448,119	25,765	473,885	-6,104	467,780
Segment profit	21,269	12,964	2,005	36,239	2,154	38,394	4,932	43,327
Segment asset	224,103	336,532	16,833	577,469	24,532	602,002	879,272	1,481,274
Other items								
Depreciation	32,443	34,632	2,510	69,586	2,741	72,328	-258	72,069
Amortization of goodwill	—	298	—	298	—	298	—	298
Increase in property, plant and equipment and intangible assets	42,714	130,969	1,188	174,873	1,808	176,681	10,074	186,755

(Note) 1. “Others” is an operational segment that is not included in reportable segments, consisting of business in mainly resistors.

2. Adjusted amount are as follows.

- [1] The adjusted amount of the segment profit, 4,932 million yen, mainly includes general administrative expenses of 18 million yen that do not attribute to the segment, and the settlement adjusted amount of 4,913 million yen, which is not allocated to the segment (such as adjustment for retirement benefits).
- [2] The adjusted amount of 879,272 million yen in segment assets contains corporate assets of 880,314 million yen that have not been allocated to individual segment information and a downward adjustment of non-current assets of -1,041 million yen. Corporate assets do not belong to reported segments, consisting of investment securities of 373,647 million yen cash and deposits of 237,936 million yen, and property, plant and equipment of 103,476 million yen.
- [3] The adjusted amount of depreciation is the settlement adjusted amount (after subtracting unrealized gains on fixed assets) that is not allocated to the segment.
- [4] Adjustments to increases in property, plant and equipment and intangible assets apply to non-current assets of common categories such as sales and administrative expenses.

3. Segment profits are adjusted with operating profit on consolidated financial statements.

(Per share data)

(Yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Net assets per share	2,330.49	2,506.78
Net income per share	204.66	138.81
Diluted net income per share	198.34	134.35

(Note) 1. The Company implemented a four-for-one common stock split, effective October 1, 2023. “Net assets per share”, “Net income per share” and “Diluted net income per share” are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

2. The basis for the calculation of the net income per share and diluted net income per share is as follows.

	Year ended March 31, 2023	Year ended March 31, 2024
Net income per share		
Profit attributable to owners of parent (million yen)	80,375	53,965
Amount not attributable to common shareholders (million yen)	31	2
Profit attributable to owners of parent common shareholders (million yen)	80,344	53,962
Average number of common shares during the year (thousand shares)	392,566	388,753
Diluted net income per share		
Adjustment of profit attributable to owners of parent (million yen)	-138	-139
(of which interest income after deducting an amount equivalent to taxes) (million yen)	(-138)	(-139)
Increase in number of outstanding common shares (thousand shares)	11,815	11,872
(of which convertible bond-type bonds with subscription rights to shares) (thousand shares)	(11,815)	(11,872)
Outline of diluted shares that were not included in the calculation of diluted net income per share because they had no dilutive effects	—	—

3. The Company's shares held by the Employee Stock Ownership Plan Trust are included in treasury shares which is deducted from the total number of year-end shares outstanding in the calculation of Net assets per share (19,000 shares in the previous consolidated fiscal year and 19,000 shares in the current consolidated fiscal year).

In the calculation of Net income per share and Diluted net income per share, they are included in treasury shares, which is deducted from the average number of shares during the period (19,000 shares in the previous consolidated fiscal year and 19,000 shares in the current consolidated fiscal year).

(Significant subsequent events)

(Issuance of Zero Coupon Convertible Bonds)

At the meeting of the Board of Directors held on April 8, 2024, the President of the Company decided to issue Zero Coupon Convertible Bonds due 2029 and Zero Coupon Convertible Bonds due 2031 (London time, same applies below unless indicated otherwise), and payment was completed on April 24, 2024. An overview of this issue is as follows.

I. Matters relating to the Zero Coupon Convertible Bonds due 2029 (hereinafter in Section I below, “Bonds with Share Acquisition Rights,” with those instances referring only to bonds being “Bonds” and those instances referring only to share acquisition rights being “Share Acquisition Rights”)

1. Total amount of issue

100.0 billion yen in aggregate principal amount of Zero Coupon Convertible Bonds due 2029 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsukishasai*).

2. Issue price (paid-in amount)

100.0% (principal amount of each bond: 10 million yen)

3. Offer price

102.5%

4. Interest rate

The Bonds do not bear interest.

5. Redemption amount

100.0% of principal amount of the Bonds

6. Maturity

April 24, 2029

7. Matters related to the Share Acquisition Rights

(1) Class of shares subject to the Share Acquisition Rights

Common stock of the company (number of shares per unit: 100 shares)

(2) Total number of Share Acquisition Rights to be issued

Total number of 10,000 and the number obtained by dividing the total principal amount of the Bonds with Share Acquisition Rights by 10 million yen

(3) Description and number of shares subject to the Share Acquisition Rights

The number of shares of the Company’s common stock granted upon exercise of the Share Acquisition Rights shall be the number resulting from the total principal amount of the Bonds involved in the exercise request divided by the conversion price listed in (4) below. However, any fractions of shares resulting from the exercise shall be discarded and no cash adjustment will be made.

(4) Amount to be paid upon exercise

(i) Upon the exercise of each Share Acquisition Right, the Bond associated with the Share Acquisition Right shall be contributed and the price for the Bond shall be equal to the principal amount of the Bond.

(ii) The conversion price shall be ¥3,063.

(iii) The conversion price shall be adjusted by means of the formula below in the event that the Company issues shares of common stock of the Company or disposes of shares of common stock of the Company in its possession at the paid-in amount which is below the fair value of the Company’s common stock after the Bonds with Share Acquisition Rights are issued. In the formula below, “Number of issued shares” shall mean the total number of issued shares of common stock of the Company (excluding those shares owned by the Company).

$$\text{Adjusted conversion price} = \text{Pre-adjustment conversion price} \times \frac{\text{Number of issued shares} + \frac{\text{Number of issued shares or to be disposed of} \times \text{Paid-in amount per share}}{\text{Fair values}}}{\text{Number of issued shares} + \text{Number of shares issued or to be disposed of}}$$

(5) Exercise period

The period shall be from May 8, 2024, to April 10, 2029 (local time at the location where exercise requests are received). Note, however, that certain stipulations in the issuance guidelines shall apply.

(6) Acquisition of Bonds by the Company

At any time during the period from, and including, April 1, 2028 to, and including January 24, 2029, the Company may, but shall not be bound to, give an Acquisition Notice to the Bondholders, in which event the Company shall acquire each Bond of such Series on the Acquisition Option Date of March 28, 2029 specified on the Acquisition Notice from those Bondholders which deliver a duly completed Acquisition Notice on or before March 14, 2029, in exchange for assets to be granted.

8. Payment date (issue date)

April 24, 2024

9. Collateral and guarantee of the Bonds

The Bonds are issued without collateral or guarantee.

10. Use of funds

The net proceeds of the issue of the Bonds are estimated to be approximately ¥200 billion and will be used by the Company, as permanent financing, to refinance a portion of the ¥300 billion bridge loan by September 2024 which it has incurred in connection with participating in the going private of Toshiba Corporation. The Company invested ¥300 billion in funding for the transaction, of which ¥200 billion was injected in the form of non-voting preferred shares of TBJ Holdings Inc. and ¥100 billion was injected in the form of limited partnership interest in TB Investment Limited Partnership (“TBLPS”), a fund vehicle managed by JIP and its subsidiaries and affiliates.

II. Matters relating to the Zero Coupon Convertible Bonds due 2029 (hereinafter in Section II below, “Bonds with Share Acquisition Rights,” with those instances referring only to bonds being “Bonds” and those instances referring only to share acquisition rights being “Share Acquisition Rights”)

1. Total amount of issue

100.0 billion yen in aggregate principal amount of Zero Coupon Convertible Bonds due 2029 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsukishasai*).

2. Issue price (paid-in amount)

100.0% (principal amount of each bond: 10 million yen)

3. Offer price

102.5%

4. Interest rate

The Bonds do not bear interest.

5. Redemption amount

100.0% of principal amount of the Bonds

6. Maturity

April 24, 2031

7. Matters related to the Share Acquisition Rights

(1) Class of shares subject to the Share Acquisition Rights

Common stock of the company (number of shares per unit: 100 shares)

(2) Total number of Share Acquisition Rights to be issued

Total number of 10,000 and the number obtained by dividing the total principal amount of the Bonds with Share Acquisition Rights by 10 million yen

(3) Description and number of shares subject to the Share Acquisition Rights

The number of shares of the Company’s common stock granted upon exercise of the Share Acquisition Rights shall be the number resulting from the total principal amount of the Bonds involved in the exercise request divided by the conversion price listed in (4) below. However, any fractions of shares resulting from the exercise shall be discarded and no cash adjustment will be made.

(4) Amount to be paid upon exercise

- (i) Upon the exercise of each Share Acquisition Right, the Bond associated with the Share Acquisition Right shall be contributed and the price for the Bond shall be equal to the principal amount of the Bond.
- (ii) The conversion price shall be ¥2,943.
- (iii) The conversion price shall be adjusted by means of the formula below in the event that the Company issues shares of common stock of the Company or disposes of shares of common stock of the Company in its possession at the paid-in amount which is below the fair value of the Company's common stock after the Bonds with Share Acquisition Rights are issued. In the formula below, "Number of issued shares" shall mean the total number of issued shares of common stock of the Company (excluding those shares owned by the Company).

$$\text{Adjusted conversion price} = \text{Pre-adjustment conversion price} \times \frac{\text{Number of issued shares} + \frac{\text{Number of issued shares or to be disposed of} \times \text{Paid-in amount per share}}{\text{Fair values}}}{\text{Number of issued shares} + \text{Number of shares issued or to be disposed of}}$$

(5) Exercise Period

The period shall be from May 8, 2024, to April 10, 2031 (local time at the location where exercise requests are received). Note, however, that certain stipulations in the issuance guidelines shall apply.

(6) Acquisition of Bonds by the Company

At any time during the period from, and including, April 1, 2030 to, and including January 24, 2031, the Company may, but shall not be bound to, give an Acquisition Notice to the Bondholders, in which event the Company shall acquire each Bond of such Series on the Acquisition Option Date of March 28, 2031 specified on the Acquisition Notice from those Bondholders which deliver a duly completed Acquisition Notice on or before March 14, 2031, in exchange for assets to be granted.

8. Payment date (issue date)

April 24, 2024

9. Collateral and guarantee of the Bonds

The Bonds are issued without collateral or guarantee.

10. Use of funds

The net proceeds of the issue of the Bonds are estimated to be approximately ¥200 billion and will be used by the Company, as permanent financing, to refinance a portion of the ¥300 billion bridge loan by September 2024 which it has incurred in connection with participating in the going private of Toshiba Corporation. The Company invested ¥300 billion in funding for the transaction, of which ¥200 billion was injected in the form of non-voting preferred shares of TBJ Holdings Inc. and ¥100 billion was injected in the form of limited partnership interest in TB Investment Limited Partnership ("TBLPS"), a fund vehicle managed by JIP and its subsidiaries and affiliates.