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**Consolidated Financial Results for the  
First Six Months of the Fiscal Year Ending March 31, 2024  
(Japanese Accounting Standards)**

November 14, 2023

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 Date of Quarterly Securities Report Filing (Planned): November 14, 2023  
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 Quarterly Financial Results Presentation Meeting: Yes

(Figures of less than one million yen are rounded down to the nearest decimal.)

1. Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2024 (April 1, 2023 to September 30, 2023)

(1) Consolidated Operating Results (Cumulative)

(% figures indicate year-on-year changes)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	51,695	0.1	6,110	0.9	6,713	9.9	4,551	4.1
September 30, 2022	51,669	0.0	6,055	(13.4)	6,110	(13.0)	4,371	(7.8)

Note: Comprehensive Income Six months ended September 30, 2023: ¥8,680 million (-9.0%)  
 Six months ended September 30, 2022: ¥9,535 million (99.9%)

	Earnings per Share	Diluted Earnings per Share
	Yen	Yen
Six months ended September 30, 2023	54.18	—
September 30, 2022	50.87	50.86

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	117,872	86,223	72.9	1,032.37
March 31, 2023	106,846	81,204	75.8	957.74

Reference: Equity As of September 30, 2023: ¥85,956 million  
 As of March 31, 2023: ¥80,959 million

2. Dividends

	Annual Dividend				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Fiscal Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	20.00	—	20.00	40.00
Fiscal year ending March 31, 2024	—	22.00			
Fiscal year ending March 31, 2024 (est.)			—	22.00	44.00

Note: Revisions to the most recently announced dividend forecasts: None

### 3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(% indicates YoY changes)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Earnings per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2024	116,500	12.3	12,300	8.8	12,300	8.1	8,430	3.7	99.73

Note: Revisions to the most recently announced earnings forecasts: None

#### \* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries affecting the scope of consolidation): None

Newly consolidated: —

Removed from consolidation: —

(2) Adoption of special accounting methods for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

1) Changes in accounting policies associated with revisions to accounting standards: None

2) Changes in accounting policies other than those in item 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatements: None

(4) Number of shares issued (common shares)

1) Shares issued as of the end of the period (including treasury shares)

Six months ended September 30, 2023	92,221,420 shares	Fiscal year ended March 31, 2023	92,221,420 shares
Six months ended September 30, 2023	8,960,082 shares	Fiscal year ended March 31, 2023	7,688,962 shares
Six months ended September 30, 2023	84,021,575 shares	Six months ended September 30, 2022	85,933,572 shares

2) Treasury shares as of the end of the period

3) Average during the period

(cumulative from the start of the fiscal year)

\* These quarterly financial statements are outside the scope of the quarterly review by certified public accountants or accounting auditors.

\* Explanation regarding proper use of financial forecasts and other special matters

The earnings forecasts and other forward-looking statements presented in these materials reflect information available to the Company and assumptions as of the date of this announcement that are based on uncertain factors that may affect future results, and the Company does not guarantee the achievement of these targets. Actual results may differ significantly as a consequence of numerous factors. For more information on the assumptions underpinning the financial forecasts and important considerations when using the forecasts, please refer to page 3, “(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements” under “1. Qualitative Information on Quarterly Financial Results.”

As of November 14, 2023, briefing materials on the results are posted on the Company website (<http://www.elecom.co.jp/ir/>).

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

The Group's consolidated operating results in the six months ended September 30, 2023 were as follows: sales of ¥51,695 million (+0.1% year on year), gross profit of ¥20,512 million (+6.0% year on year), operating profit of ¥6,110 million (+0.9% year on year), ordinary profit of ¥6,713 million (+9.9% year on year), and profit attributable to owners of parent of ¥4,551 million (+4.1% year on year).

Despite the impact of sluggish demand and a severely competitive environment, mainly for peripheral devices, TV/AV-related products and certain PC-related products, sales of AC chargers that support high-speed charging and mobile batteries grew with strategic sales promotions such as the launch of new products. Demand was also firm for robust tablets for corporate customers. Further, the launch of a security-related business centered on surveillance cameras and the consolidation of groxi Inc. resulted in slightly higher overall sales year on year.

Since we purchase products from overseas in US dollars, the cost of sales after translation into yen was significantly affected by the yen's depreciation. Nevertheless, gross profit increased year on year as a result of price increases implemented from the previous year, as well as profit-oriented initiatives including thorough rebate management, which also resulted in gross profit margin improvement.

Operating profit rose slightly year on year, driven by improved gross profit despite higher SG&A expenses driven by increased personnel expenses resulting from the hiring of development personnel and base salary increases as part of efforts to strengthen investment in human resources, M&A expenses incurred in connection with the consolidation of groxi and Tescom Denki Group as subsidiaries, and higher travel and other expenses associated with the normalization of economic activity following the COVID-19 pandemic, among other factors.

Ordinary profit rose year on year in line with higher operating profit as well as an increase in interest income and a reversal of foreign exchange losses driven by the sharp depreciation of the yen in the same period of the previous year to foreign exchange gains in the six months ended September 30, 2023.

In addition, we are continuing to explore M&A opportunities to further enhance our corporate value, and on June 30, 2023, we acquired groxi, which serves as a one-stop shop for network design, construction, maintenance, and operation, which are functions that we have been looking for. In addition, on July 6, 2023, we acquired Tescom Denki Group with the aim of accelerating the growth of our home appliance business. Tescom Denki Group is a major player in the market for hair dryers, hair irons, and other beauty appliance products, and has established market share and recognition in the field of cooking appliances as well.

Furthermore, in our plan for the current fiscal year, we anticipate improved performance toward the second half of the year, due in part to the impact of the newly consolidated companies from these M&A deals, as well as a recovery from the drop in sales and profits in the second half of the previous fiscal year. Profits exceeded plans in the first half of the fiscal year, and we are currently implementing reforms centered on rebuilding our product development structure to accelerate the development of strategic new products in order to solidify the Group's return to a growth path in the second half of the fiscal year and beyond.

The operating results by product category are shown below. Note that the Company presents operating results classified by product category since the Elecom Group operates in a single segment that engages in development, manufacturing, and sales of PC and digital device-related products.

#### (PC-related Products)

Sales of products such as PC cables and USB hubs declined due to sluggish demand for PC units, but sales grew thanks to PC filter orders from corporate customers and the introduction of new ink products.

As a result, sales related to PCs for the six months ended September 30, 2023 were ¥14,458 million (+1.1% year on year).

#### (Smartphone/Tablet-related Products)

E-commerce channel sales of AC chargers supporting high-speed charging of smartphones, tablets, and laptop PCs were firm due to the launch of new products, and sales of mobile batteries also expanded significantly, driven mainly by sales promotions at mass retailers. In addition, with the launch of the new iPhone, sales of accessories, particularly smartphone cases and films, also recovered.

As a result, sales related to smartphones and tablets for the six months ended September 30, 2023 were ¥11,111 million (+12.1% year on year).

#### (TV/AV-related Products)

Demand for headset microphones and AV cable-related products declined, resulting in sales of ¥8,062 million (-5.7% year on year) for TV/AV-related products for the six months ended September 30, 2023.

#### (Peripheral Devices)

Sales for both network equipment and storage equipment fell sharply owing to the continued severe competitive environment. On the other hand, profits improved in the memory-related business due to our profit-oriented policy despite a drop in sales. In addition, the security-related business expanded substantially.

As a result, sales of peripheral devices for the six months ended September 30, 2023 were ¥14,115 million (-7.5% year on year).

#### (Other)

Sales grew despite a decline in sales of custom PCs for corporate customers, due to strong sales of robust tablets used on worksites as well as the impact of the new consolidation of groxi, Inc.

As a result, sales in the Other category for the six months ended September 30, 2023 were ¥3,948 million (+8.4% year on year).

[Consolidated net sales by product category]

(Millions of yen; %)

Product category	Six months ended September 30, 2022		Six months ended September 30, 2023		YoY change (%)
	Amount	%	Amount	%	
PC-related Products	14,295	27.7	14,458	28.0	1.1
Smartphone/Tablet-related Products	9,915	19.2	11,111	21.5	12.1
TV/AV-related Products	8,551	16.6	8,062	15.6	(5.7)
Peripheral Devices	15,264	29.5	14,115	27.3	(7.5)
Other	3,642	7.0	3,948	7.6	8.4
Total	51,669	100.0	51,695	100.0	0.1

## (2) Explanation of Financial Position

Total assets as of September 30, 2023 amounted to ¥117,872 million, up ¥11,025 million from the end of the previous fiscal year, due to the following factors.

### <Factors driving increases>

Securities: Increased due to the acquisition of dollar-denominated bonds and the weakening of the yen.

Notes and accounts receivable-trade: Increased due to M&A activity (acquisition of groxi and Tescom Denki Group as subsidiaries).

Merchandise and finished goods: Increased due to M&A activity and purchases based on demand trends.

Deposits paid: Increased due to purchase of treasury shares.

Other current assets: Forward exchange contracts increased due to the weakening yen.

Non-current assets: Increased due to M&A activity.

### <Factors driving decreases>

Cash and deposits: Decreased mainly due to M&A activity and purchase of treasury shares (including an increase in deposits).

Liabilities increased ¥6,007 million to ¥31,649 million. This was mainly attributed to an increase in accounts payable-trade related to purchases and M&A activity.

Net assets increased ¥5,018 million to ¥86,223 million. This was mainly due to an increase in accumulated other comprehensive income resulting from the depreciation of the yen, in addition to an increase in retained earnings, despite the negative impact of a decrease in shareholders' equity due to the purchase of treasury shares.

Cash flow conditions in the six months ended September 30, 2023 were as follows.

Net cash provided by operating activities totaled ¥3,393 million (increase of ¥1,510 million in the same period of the previous year). The main sources of cash were the recording of ¥6,761 million in profit before income taxes and ¥1,248 million in depreciation, which was partially offset by ¥1,979 million in income taxes paid and ¥2,486 million in other decreases such as decreases in accounts payable-other and foreign exchange gains.

Net cash used in investing activities amounted to ¥7,009 million (decrease of ¥4,496 million in the same period of the previous fiscal year). The main contributing factors were ¥5,161 million for the purchase of shares of subsidiaries resulting in change in scope of consolidation and ¥1,205 million for the purchase of property, plant and equipment.

Net cash used in financing activities came to ¥6,668 million (decrease of ¥1,570 million in the same period of the previous fiscal year). The main contributing factors were ¥1,690 million in dividends paid and ¥2,037 million in purchase of treasury shares and a ¥2,962 million increase in deposits for the purchase of treasury shares.

As a result, cash and cash equivalents as of September 30, 2023 decreased ¥9,792 million from the end of the previous fiscal year to ¥31,461 million.

## (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements

The consolidated earnings forecasts for the full year ending March 31, 2024 remain unchanged from the previous forecasts announced on May 29, 2023.

## 2. Quarterly Consolidated Financial Statements and Important Notes

### (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Fiscal year ended March 31, 2023 (As of March 31, 2023)	Six months ended September 30, 2023 (As of September 30, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	41,253	31,461
Notes and accounts receivable–trade	17,648	20,289
Securities	13,860	16,675
Merchandise and finished goods	10,214	13,259
Work in process	239	626
Raw materials and supplies	1,994	2,114
Returned assets	529	519
Deposits paid	—	2,962
Other	4,960	9,357
Allowance for doubtful accounts	(0)	(0)
Total current assets	90,700	97,264
Non-current assets		
Property, plant and equipment	10,371	12,220
Intangible assets		
Goodwill	231	2,888
Other	1,653	1,700
Total intangible assets	1,885	4,588
Investments and other assets	3,890	3,799
Total non-current assets	16,146	20,608
Total assets	106,846	117,872
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable–trade	10,825	15,132
Electronically recorded obligations–operating	2,946	2,538
Short-term borrowings	500	500
Income taxes payable	1,824	2,152
Refund liability	1,789	1,705
Other provisions	1,048	1,084
Other	4,439	5,164
Total current liabilities	23,374	28,277
Non-current liabilities		
Retirement benefit liability	1,780	2,041
Provision for retirement benefits for directors (and other officers)	22	45
Other	464	1,285
Total non-current liabilities	2,267	3,371
Total liabilities	25,642	31,649

(Millions of yen)

	Fiscal year ended March 31, 2023 (As of March 31, 2023)	Six months ended September 30, 2023 (As of September 30, 2023)
Net assets		
Shareholders' equity		
Share capital	12,577	12,577
Capital surplus	12,822	12,828
Retained earnings	62,487	65,349
Treasury shares	(11,261)	(13,260)
Total shareholders' equity	76,626	77,494
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	502	567
Deferred gains or losses on hedges	2,172	5,045
Foreign currency translation adjustment	1,659	2,850
Remeasurements of defined benefit plans	(0)	(1)
Total accumulated other comprehensive income	4,333	8,461
Share acquisition rights	229	251
Non-controlling interests	15	15
Total net assets	81,204	86,223
Total liabilities and net assets	106,846	117,872

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
(Quarterly Consolidated Statement of Income)  
First six months of the consolidated fiscal year ending March 31, 2024

(Millions of yen)

	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)	Six months ended September 30, 2023 (From April 1, 2023 to September 30, 2023)
Net sales	51,669	51,695
Cost of sales	32,319	31,183
Gross profit	19,349	20,512
Selling, general and administrative expenses	13,294	14,402
Operating profit	6,055	6,110
Non-operating income		
Interest income	71	352
Dividend income	33	33
Foreign exchange gains	—	199
Purchase discounts	1	0
Other	22	23
Total non-operating income	128	610
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	49	—
Consumption tax difference	—	3
Commission for purchase of treasury shares	19	0
Other	3	2
Total non-operating expenses	73	6
Ordinary profit	6,110	6,713
Extraordinary income		
Gain on sale of non-current assets	—	16
Gain on sale of investment securities	—	49
Gain on reversal of share acquisition rights	31	7
Gain on termination of retirement benefit plan	91	—
Total extraordinary income	123	72
Extraordinary losses		
Loss on retirement of non-current assets	27	24
Other	—	0
Total extraordinary losses	27	24
Profit before income taxes	6,206	6,761
Income taxes—current	1,805	2,015
Income taxes—deferred	31	194
Total income taxes	1,837	2,209
Profit	4,369	4,551
Loss attributable to non-controlling interests	(1)	(0)
Profit attributable to owners of parent	4,371	4,551



## (Quarterly Consolidated Statement of Comprehensive Income)

First six months of the consolidated fiscal year ending March 31, 2024

(Millions of yen)

	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)	Six months ended September 30, 2023 (From April 1, 2023 to September 30, 2023)
Profit	4,369	4,551
Other comprehensive income		
Valuation difference on available-for-sale securities	12	64
Deferred gains or losses on hedges	3,995	2,873
Foreign currency translation adjustment	1,368	1,192
Remeasurements of defined benefit plans, net of tax	(210)	(1)
Total other comprehensive income	5,165	4,129
Comprehensive income	9,535	8,680
Comprehensive income attributable to:		
Owners of parent	9,534	8,680
Non-controlling interests	0	(0)

## (3) Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)	Six months ended September 30, 2023 (From April 1, 2023 to September 30, 2023)
Cash flows from operating activities		
Profit before income taxes	6,206	6,761
Depreciation	1,166	1,248
Amortization of goodwill	38	85
Interest and dividend income	(104)	(386)
Interest expenses	0	0
Decrease (increase) in trade receivables	2,214	(613)
Decrease (increase) in inventories	(2,985)	(1,715)
Increase (decrease) in trade payables	(1,450)	2,135
Increase (decrease) in provisions	(275)	(43)
Other, net	(1,459)	(2,486)
Subtotal	3,349	4,985
Interest and dividends received	104	387
Interest paid	(0)	(0)
Income taxes paid	(1,943)	(1,979)
Net cash provided by (used in) operating activities	1,510	3,393
Cash flows from investing activities		
Purchase of securities	(68)	(928)
Purchase of property, plant and equipment	(4,146)	(1,205)
Proceeds from sale of property, plant and equipment	0	376
Purchase of intangible assets	(265)	(268)
Purchase of investment securities	(12)	(12)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(5,161)
Other, net	(4)	190
Net cash provided by (used in) investing activities	(4,496)	(7,009)
Cash flows from financing activities		
Dividends paid	(1,581)	(1,690)
Proceeds from disposal of treasury shares	9	22
Purchase of treasury shares	(5,239)	(2,037)
Decrease (increase) in deposits paid for purchase of treasury shares	5,240	(2,962)
Net cash provided by (used in) financing activities	(1,570)	(6,668)
Effect of exchange rate change on cash and cash equivalents	803	491
Net increase (decrease) in cash and cash equivalents	(3,753)	(9,792)
Cash and cash equivalents at beginning of period	42,082	41,253
Cash and cash equivalents at end of period	38,329	31,461

(4) Notes to Quarterly Consolidated Financial Statements

(Notes Regarding Assumption of a Going Concern)

No applicable matters to report.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

In accordance with the resolution passed at a Board of Directors meeting held on May 10, 2023, the Company repurchased 1,297,200 shares of treasury shares. As a result, treasury shares increased by ¥2,037 million during the first six months of the current fiscal year, and as a result, treasury shares amounted to ¥13,260 million at the end of the first six months of the current fiscal year.

(Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements)

No applicable matters to report.

(Changes in Accounting Policies)

No applicable matters to report.

(Changes in Accounting Estimates)

No applicable matters to report.

(Additional Information)

No applicable matters to report.

(Important Subsequent Events)

No applicable matters to report.

(Segment Information, etc.)

[Segment Information]

I First six months of the fiscal year ended March 31, 2023 (from April 1, 2022 to September 30, 2022)

Segment-specific information has been omitted as the Company operates in a single segment that engages in development, manufacturing, and sales of computer and digital device-related products.

II First six months of the fiscal year ending March 31, 2024 (from April 1, 2023 to September 30, 2023)

Segment-specific information has been omitted as the Company operates in a single segment that engages in development, manufacturing, and sales of computer and digital device-related products.

3. Other

Significant Events Relating to Going Concern Assumption, etc.

No applicable matters to report.