

August 8, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Sharp Corporation
Listing: Tokyo Stock Exchange

Securities code: 6753

URL: https://corporate.jp.sharp/ (English: https://global.sharp/)

Representative: Masahiro Okitsu, President Chief Executive Officer

Inquiries: Shigetaka Obata, Senior Vice President, Finance and Administration Office

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Scheduled date to commence dividend payments:

Preparation of supplementary material on financial results:

Holding of financial results briefing:

Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales	S	Operating p	rofit	Ordinary p	ofit	Profit attributable to parent	o owners of
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	472,490	(11.2)	15,302	-	18,594	-	27,239	-
June 30, 2024	531,964	(1.7)	(5,810)	-	(10,178)	-	(1,285)	-

Note: Comprehensive income For the three months ended June 30, 2025: \$\frac{\pmax}{2}0,070\$ million [(17.7)%]

For the three months ended June 30, 2024: \$\frac{\pmax}{2}4,390\$ million [(52.4)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	41.95	-
June 30, 2024	(1.98)	1

Note: Diluted earnings per share is not stated because potentially dilutive shares exist without dilutive effect at the moment.

(2) Consolidated financial position

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	Total assets	Net assets	Equity-to-asset ratio				
As of	Millions of yen	Millions of yen	%				
June 30, 2025	1,383,375	186,368	12.5				
March 31, 2025	1,453,730	167,709	10.5				

Reference: Equity

As of June 30, 2025: \$173,035 million As of March 31, 2025: \$153,367 million

2. Cash dividends

2. Cash dividends							
		Annual dividends per share					
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total		
	Yen	Yen	Yen	Yen	Yen		
Fiscal year ended March 31, 2025	-	0.00	-	0.00	0.00		
Fiscal year ending March 31, 2026	-						
Fiscal year ending March 31, 2026 (Forecast)		-	-	-	-		

Note: 1 Revisions to the forecast of cash dividends most recently announced: None

² As of this time, the dividend per share for the fiscal year ending March 31, 2026 has not yet been determined.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sale	es	Operating p	profit	Ordinary p	rofit	Profit attribut owners of p		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	1,870,000	(13.4)	30,000	9.7	27,000	52.9	32,000	(11.3)	49.28

Note: Revisions to the earnings forecasts most recently announced: Yes

*Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 1 company (Saigon STEC Co., LTD.)

- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)
 - (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	650,406,538 shares
As of March 31, 2025	650,406,538 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2025	1,107,116 shares
As of March 31, 2025	1,106,821 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	649,299,598 shares
Three months ended June 30, 2024	649,301,175 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None
- * Proper use of earnings forecasts, and other special matters
 - 1. The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to Sharp Corporation ("the Company") and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual results may vary due to a variety of factors.
 - 2. The Company is scheduled to hold a financial results briefing on Friday, August 8, 2025. The financial results briefing materials used in this briefing will be posted on the Company's website promptly after the announcement.

1. Qualitative Information

(1) Qualitative Information regarding Consolidated Financial Results for the First Quarter Ended June 30, 2025

Please refer to the presentation material "Consolidated Financial Results for the First Quarter, Fiscal 2025" on our company website.

https://global.sharp/corporate/ir/library/financial/

(2) Material Events Related to the Going Concern Assumption

During the fiscal year ended March 31, 2025, the Group achieved profitability again after two years of losses through business restructuring including Asset Light Initiatives. In the first quarter of the current fiscal year, 27,239 million yen of profit attributable to owners of parent was recorded, and our equity ratio recovered up to 12.5%. However, considering that the financial foundation still lacks stability, we will accelerate "Global Expansion" and "Business Transformation" of Brand Business, aiming to enhance profitability and growth potential, while further improving the Group's financial foundation. In terms of funding, Sharp shares information regarding our operating and financial position and consults with major lending institutions on ways to improve our financial position as necessary, in order to maintain and continue our borrowing agreements, thereby stabilizing our financial resources. Additionally, Sharp is pursuing consultations aimed at the refinancing of the syndicated loan agreement maturing in April 2026, with our primary financial institutions.

While certain events or circumstances may have given rise significant doubts in connection with the going concern assumption, there are no material uncertainties noted that are applicable to Notes Related to the Going Concern Assumption.

2. Consolidated Financial Statements

(1) Consolidated balance sheets

(Millions of yen) As of March 31, 2025 As of June 30, 2025 Assets Current assets Cash and deposits 279,307 209,969 Notes and accounts receivable - trade, and contract assets 379,787 364,166 Inventories 242,081 261,755 Other 84,495 92,031 Allowance for doubtful accounts (5,923) (5,854)921,999 Total current assets 979,817 Non-current assets Property, plant and equipment 578,722 Buildings and structures 590,183 Machinery, equipment and vehicles 1,002,312 974,588 Tools, furniture and fixtures 136,473 131,032 112,213 Other 111,334 Accumulated depreciation (1,638,404) (1,604,743) Total property, plant and equipment 201,899 191,812 Intangible assets Goodwill 6,904 7,264 Other 29,315 28,188 Total intangible assets 36,580 35,092 Investments and other assets Investment securities 185,710 184,471 Other 49,998 49,722 234,470 Total investments and other assets 235,433 Total non-current assets 473,913 461,375 Total assets 1,383,375 1,453,730

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	278,869	284,705
Electronically recorded obligations - operating	10,881	9,546
Short-term borrowings	111,257	480,739
Provision for bonuses	19,481	11,300
Provision for product warranties	13,096	13,084
Other provisions	25,994	25,624
Other	297,342	255,676
Total current liabilities	756,923	1,080,677
Non-current liabilities		
Long-term borrowings	406,400	10,930
Provisions	11,709	11,071
Retirement benefit liability	45,604	43,575
Other	65,383	50,752
Total non-current liabilities	529,097	116,329
Total liabilities	1,286,021	1,197,007
Net assets		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	148,983	148,983
Retained earnings	(54,082)	(26,843)
Treasury shares	(13,389)	(13,389)
Total shareholders' equity	86,511	113,751
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,818	20,993
Deferred gains or losses on hedges	(1,437)	(1,130)
Foreign currency translation adjustment	46,571	38,504
Remeasurements of defined benefit plans	902	916
Total accumulated other comprehensive income	66,855	59,284
Share acquisition rights	1,279	1,469
Non-controlling interests	13,062	11,863
Total net assets	167,709	186,368
Total liabilities and net assets	1,453,730	1,383,375

(2) Consolidated Statements of Income / Consolidated Statements of Comprehensive Income - Consolidated statements of income

Cons point 484,918 368,126 Gross profit 88,045 104,363 Selling, general and administrative expenses 93,850 15,000 Operating profit (oks) 5,810 15,000 Non-operating income 1,315 2,220 Brief profit of centres accounted for using equity method 1,315 2,231 Dividend income 2,314 2,137 Diverse profit of centries accounted for using equity method 2,314 2,938 Tour port of centries accounted for using equity method 2,314 2,938 Other 3,344 2,938 Tour port of centries accounted for using equity method 2,314 2,938 Tour port of centries accounted for using equity method 2,314 2,938 Tour port of tour centre using equity method 2,314 2,938 Tour port of tour centre using equity method 3,08 2,931 Tour central accounting port of tour using equity method 3,08 2,931 Tour central expenses 2,26 3,20 Tour central expenses 1,26 3,20 Tour centre		Three months ended June 30, 2024	Three months ended June 30, 2025
Gross profit 88,045 104,063 Selling, general and administrative expenses 93,856 80,060 Opening profit (loss) (5,810) 35,352 Non-openiting inconee 1,054 1,230 Interest income 1,034 1,230 Dividend income 1,039 3,222 State of profit of entities accounted for using equity method 2,314 2,233 Other 3,34 2,238 3,208 Other 3,34 2,238 3,208 Total amon-spending income 3,24 3,208 3,208 Other 3,24 3,208 3,208 Total amon-spending responses 2,66 2,911 3,208 3,208 Foreign exchange losses 2,66 2,911 3,209	Net sales	531,964	472,490
selling general and administrative expenses 93,836 80,000 Operating pictif (loss) (5,810) 15,320 Non-operating income 1,354 1,220 Dividend income 1,354 1,220 Foreign exchange gains - 1,223 Share of profit of entities accounted for using equity method 2,314 2,318 Other 3,314 2,938 3,900 Other 3,314 2,938 3,900 Total non-operating income 3,318 3,900 3,900 Other 3,314 2,938 3,900 3,900 Total post of profit of entities accounted for using equity method 3,314 2,938 3,900 <td>Cost of sales</td> <td>443,918</td> <td>368,127</td>	Cost of sales	443,918	368,127
Operating profit (loss) (S,810) 15,302 Non-operating income 1,354 1,200 Divisiond income 1,035 3,722 Foreign exclude gains - 1,223 Store of profit of entities accounted for using equity method 2,314 2,313 Investment income 295 - Other 3,314 2,938 Total non-operating income 8,308 2,970 Non-operating expenses 2,668 2,011 Foreign excluding losses 7,426 - Foreign excluding losses 7,426 - Other 2,531 2,536 Total non-operating expenses 12,676 4,609 Ordinary portit (loss) 10,176 4,509 Ordinary portit (loss) 10,176 4,509 Ordinary portit (loss) 10,176 4,509 Ordinary portit (loss) 10,179 1,179 Guin on sale of investment securities 3,5 1,169 Guin on sale of investment securities 2,6 2,2 Guin on	Gross profit	88,045	104,363
Non-operating income 1,354 1,230 Dividend income 1,030 372 Foreign exchange gains	Selling, general and administrative expenses	93,856	89,060
Interest income 1,354 1,230 Dividend income 1,030 372 Foreign exchange gains - 1,232 Share of profit of entitis accounted for using equity method 2,314 2,313 Investment income 205 - Other 3,314 2,938 Total mon-operating income 8,308 7,901 Non-operating expenses 2,668 2,011 Foreign exchange losses 7,426 - Investment expenses 2,568 2,301 Other 2,581 3,354 Investment expenses - 2,41 Other 2,581 3,35 Investment expenses 1,266 3,00 Other 2,581 3,35 Total non-operating expenses 1,267 3,60 Ordinary prioritic (loss) 10,178 11,69 Ordinary prioritic (loss) 10,178 11,69 Gain on also of non-current assets 3,5 11,69 Gain on also of businesses 3,5 1,5 <td>Operating profit (loss)</td> <td>(5,810)</td> <td>15,302</td>	Operating profit (loss)	(5,810)	15,302
Dividend income 1,03 372 Foreign exchange gains . 1,23 Shar of profit fertities accounted for using equity method 2,314 2,23 Divident income 2,314 2,938 Other 3,314 2,938 Total non-operating income 8,308 3,700 Non-operating expenses 2,668 2,010 Toreign exchange loses 7,426 2,410 Other 2,581 3,256 Tought on-operating expenses 2,688 2,010 Other 2,581 3,256 Tourist met expense 2,688 2,010 Other 2,581 3,256 Tourist met expense 2,581 3,256 Other 2,581 3,256 Other 2,581 3,256 4,266 Other 2,581 3,256 4,266 4,266 Other 3,100 1,267 1,269 1,269 1,269 1,269 1,269 1,269 1,269 1,269 1,269	Non-operating income		
Foreign exchange gains - 1,223 Share of profit of entities accounted for using equity method 2,314 2,137 Investment memore 295 - Other 3,314 2,938 Total non-operating income 8,308 7,900 Non-operating expenses 2,668 2,011 Foreign exchange losses 7,426 - Other 2,581 2,325 Other 2,581 3,331 Other 2,581 3,331 Othinary profit (loss) 3,132 <td>Interest income</td> <td>1,354</td> <td>1,230</td>	Interest income	1,354	1,230
Share of profit of entities accounted for using equity method 2,314 2,137 Investment income 295 — Other 3,314 2,938 Total non-operating income 8,30 7,907 Non-operating expenses 2,668 2,011 Foreign exchange losses 7,426 2,011 Foreign exchange losses 7,426 2,336 Other 2,581 2,336 Other 2,581 2,336 Other on-operating expenses 12,678 2,336 Other on-operating expenses 12,678 2,336 Other on-operating expenses 12,681 2,336 Other on-operating expenses 12,681 2,336 Other on-operating expenses 12,681 2,336 Gain on sale of investment securities 13,149 11,639 Gain on sale of investment securities 13,149 11,639 Gain on reversal of sharie acquisition rights 13,149 13,149 Gain on reversal of sharie acquisition rights 141 15 Total extraordinary Income	Dividend income	1,030	372
Investment income 295	Foreign exchange gains	-	1,223
Other 3,314 2,938 Total non-operating income 8,308 7,901 Non-operating expenses 2,668 2,011 Foreign exchange losses 7,426 - Investment expense 2,548 2,335 Other 2,581 2,356 Total non-operating expenses 12,676 4,609 Ordinary profit (loss) (10,178) 18,594 Extraordinary income 35 11,639 Gain on sale of non-current assets 35 11,639 Gain on sale of Pusinesses 3 1 Gain on sale of Investment securities 3,59 - Gain on reversal of Isialities 3,59 - Gain on reversal of Isialities 3,59 - Gain on reversal of share acquisition rights 14 15 Total cattraordinary income 16,622 3,530 Extraordinary Income 173 3,30 Extraordinary Income 1,32 3,53 Extraordinary Income 1,32 3,53 Extraordinary Income	Share of profit of entities accounted for using equity method	2,314	2,137
Total non-operating income 8,308 7,901 Non-operating expenses 2,668 2,011 Foreign exchange losses 7,426 - Investment expense 2,581 2,356 Other 2,581 2,356 Total non-operating expenses 12,676 4,609 Ordinary profit (loss) (10,178) 18,594 Extraordinary income 35 11,639 Gain on sale of non-current assets 35 11,639 Gain on sale of investment securities 10,147 17 Gain on sale of businesses 3 6 Gain on reversal of liabilities 3,59 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,62 12,50 Extraordinary income 16,62 3,30 Extraordinary losses 17 3 Extraordinary losses 1,26 3,00 Extraordinary losses 1,26 3,00 Business restructuring expenses 3,00 3,00 Total extr	Investment income	295	-
Non-operating expenses 2,668 2,011 Foreign exchange losses 7,426 - Investment expense - 244 Other 2,581 2,356 Total non-operating expenses 12,676 4,609 Ordinary profit (loss) (10,178) 18,594 Extraordinary income - - Gain on sale of non-current assets 35 11,639 Gain on sale of investment securities 10,147 17 Gain on sale of businesses - 868 Gain on reversal of liabilities 3,590 - Gain on reversal of liabilities 3,10 3,30 Inpairment losses 1,2 5,00 Bu	Other	3,314	2,938
Interest expenses 2,668 2,011 Foreign exchange losses 7,426 - Investment expense - 241 Other 2,581 2,356 Total non-operating expenses 12,676 4,609 Ordinary profit (loss) (10,178) 18,594 Extraordinary income 35 11,639 Gain on sale of non-current assets 35 11,639 Gain on sale of investment securities 10,147 17 Gain on sale of businesses - 868 Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 1,262 50 Business restructuring expenses 1,262 50 Business restructuring expenses 4,835 83 Total extraordinary losses 4,835 83 Total extraordinary losses 4,835 83 Total extraordinary losses 4,835 83 <	Total non-operating income	8,308	7,901
Foreign exchange losses 7,426 - Investment expense - 241 Other 2,581 2,356 Total non-operating expenses 12,676 4,609 Ordinary profit (loss) (10,178) 18,584 Extraordinary income - 868 Gain on sale of non-current assets 35 11,639 Gain on sale of histestment securities 10,147 17 Gain on sale of businesses - 868 Gain on reversal of liabilities 3,590 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 1,262 50 Business restructuring expenses 1,262 50 Business restructuring expenses 4,835 83 Total extraordinary losses 4,835 83 Total extraordinary losses 4,835 83 Total extraordinary losses 4,835 83	Non-operating expenses		
Investment expense - 241 Other 2,581 2,356 Total non-operating expenses 12,676 4,609 Ordinary profit (loss) (10,178) 18,594 Extraordinary income 35 11,639 Gain on sale of non-current assets 35 11,639 Gain on sale of investment securities 10,147 17 Gain on sale of businesses - 868 Gain on change in equity 2,708 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 173 330 Extraordinary losses 1,262 500 Business restructuring expenses 1,362 500 Business restructuring expenses 4,835 831 Profit efferior income taxes 4,835 831 Profit efferior income taxes 1,608 3,034 Income taxes - deferred 4,931 3,034 <tr< td=""><td>Interest expenses</td><td>2,668</td><td>2,011</td></tr<>	Interest expenses	2,668	2,011
Other 2,581 2,356 Total non-operating expenses 12,676 4,609 Ordinary profit (loss) (10,178) 18,594 Extraordinary income Total on sale of non-current assets 35 11,639 Gain on sale of investment securities 10,147 17 Gain on sale of businesses - 868 Gain on change in equity 2,708 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 173 330 Extraordinary losses 1,262 500 Business restructuring expenses 1,262 500 Business restructuring expenses 4,835 831 Profit effore income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred 4,949 519 Total income taxes 2,621 2,556 Profit (loss) 6,01 </td <td>Foreign exchange losses</td> <td>7,426</td> <td>-</td>	Foreign exchange losses	7,426	-
Total non-operating expenses 12,676 4,600 Ordinary profit (loss) (10,178) 18,594 Extraordinary income	Investment expense	-	241
Ordinary profit (loss) (10,178) 18,594 Extraordinary income Textraordinary income 35 11,639 Gain on sale of non-current assets 35 11,639 Gain on sale of businesses - 868 Gain on sale of businesses - 868 Gain on change in equity 2,708 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Other	2,581	2,356
Extraordinary income Can on sale of non-current assets 35 11,639 Gain on sale of investment securities 10,147 17 Gain on sale of businesses - 868 Gain on change in equity 2,708 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit dttributable to non-controlling interests 272 508	Total non-operating expenses	12,676	4,609
Gain on sale of non-current assets 35 11,69 Gain on sale of investment securities 10,147 17 Gain on sale of businesses - 868 Gain on change in equity 2,708 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Ordinary profit (loss)	(10,178)	18,594
Gain on sale of investment securities 10,147 17 Gain on sale of businesses - 868 Gain on change in equity 2,708 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - deferred 4,949 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Extraordinary income		
Gain on sale of businesses - 868 Gain on change in equity 2,708 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 155 Total extraordinary income 16,622 12,540 Extraordinary losses 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - deferred 4,945 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 2,747 Profit attributable to non-controlling interests 272 508	Gain on sale of non-current assets	35	11,639
Gain on change in equity 2,708 - Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,474 Profit attributable to non-controlling interests 272 508	Gain on sale of investment securities	10,147	17
Gain on reversal of liabilities 3,590 - Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Gain on sale of businesses	-	868
Gain on reversal of share acquisition rights 141 15 Total extraordinary income 16,622 12,540 Extraordinary losses Loss on sale and retirement of non-current assets 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Gain on change in equity	2,708	-
Total extraordinary income 16,622 12,540 Extraordinary losses	Gain on reversal of liabilities	3,590	-
Extraordinary losses Loss on sale and retirement of non-current assets 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Gain on reversal of share acquisition rights	141	15
Loss on sale and retirement of non-current assets 173 330 Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Total extraordinary income	16,622	12,540
Impairment losses 1,262 500 Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Extraordinary losses		
Business restructuring expenses 3,400 - Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Loss on sale and retirement of non-current assets	173	330
Total extraordinary losses 4,835 831 Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Impairment losses	1,262	500
Profit before income taxes 1,608 30,304 Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Business restructuring expenses	3,400	-
Income taxes - current 3,116 2,036 Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Total extraordinary losses	4,835	831
Income taxes - deferred (494) 519 Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Profit before income taxes	1,608	30,304
Total income taxes 2,621 2,556 Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Income taxes - current	3,116	2,036
Profit (loss) (1,013) 27,747 Profit attributable to non-controlling interests 272 508	Income taxes - deferred	(494)	519
Profit attributable to non-controlling interests 272 508	Total income taxes	2,621	2,556
	Profit (loss)	(1,013)	27,747
Profit (loss) attributable to owners of parent (1,285) 27,239	Profit attributable to non-controlling interests	272	508
	Profit (loss) attributable to owners of parent	(1,285)	27,239

(Millions of yen)

	(Willions of yet
Three months ended June 30, 2024	Three months ended June 30, 2025
(1,013)	27,747
(2,911)	176
1,301	306
22,014	(6,722)
916	10
4,082	(1,448)
25,403	(7,677)
24,390	20,070
23,401	19,667
988	402
	June 30, 2024 (1,013) (2,911) 1,301 22,014 916 4,082 25,403 24,390

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,608	30,304
Depreciation	12,689	9,490
Interest and dividend income	(2,384)	(1,603)
Interest expenses	2,668	2,011
Share of loss (profit) of entities accounted for using equity method	(2,314)	(2,137)
Investment expenses (income)	(295)	241
Loss (gain) on sale and retirement of non-current assets	137	(11,308)
Impairment losses	1,262	500
Loss (gain) on sale of investment securities	(10,147)	(17)
Loss (gain) on sale of businesses	-	(868)
Loss (gain) on change in equity	(2,708)	-
Gain on reversal of liabilities	(3,590)	-
Gain on reversal of share acquisition rights	(141)	(15)
Business restructuring expenses	3,400	-
Decrease (increase) in accounts receivable - trade, and contract assets	(1,971)	14,114
Decrease (increase) in accounts receivable - other	(613)	(432)
Decrease (increase) in inventories	(17,544)	(20,444)
Increase (decrease) in trade payables	(3,782)	6,379
Increase (decrease) in accrued consumption taxes	478	(10,382)
Increase (decrease) in provision for bonuses	(5,637)	(7,955)
Other, net	2,861	(41,305)
Subtotal	(26,024)	(33,428)
Interest and dividends received	3,643	2,435
Interest paid	(1,830)	(2,525)
Income taxes refund (paid)	(6,797)	(3,289)
Payments for business restructuring	(1,134)	(6,328)
Proceeds from compensation	- ,	431
Net cash provided by (used in) operating activities	(32,142)	(42,705)

		(Millions of yer		
	Three months ended June 30, 2024	Three months ended June 30, 2025		
Cash flows from investing activities				
Payments into time deposits	(16,983)	(4,250)		
Proceeds from withdrawal of time deposits	1,474	31,480		
Purchase of property, plant and equipment	(7,572)	(4,522)		
Proceeds from sale of property, plant and equipment	302	11,225		
Purchase of intangible assets	(2,725)	(3,102)		
Proceeds from sale of investment securities	18,413	25		
Proceeds from refund of investment partnerships	1,867	1,732		
Payments for sale of businesses	-	(55)		
Other, net	395	(281)		
Net cash provided by (used in) investing activities	(4,828)	32,251		
Cash flows from financing activities				
Net increase (decrease) in short-term borrowings	23,393	6,416		
Repayments of long-term borrowings	(2,685)	(32,374)		
Repayments of finance lease liabilities	(2,349)	(867)		
Other, net	(39)	(359)		
Net cash provided by (used in) financing activities	18,319	(27,185)		
Effect of exchange rate change on cash and cash equivalents	13,699	(4,229)		
Net increase (decrease) in cash and cash equivalents	(4,952)	(41,867)		
Cash and cash equivalents at beginning of period	219,128	242,703		
Cash and cash equivalents at end of period	214,176	200,836		

(4) Notes to Consolidated Financial Statements

(Segment information)

I. Three months ended June 30, 2024

i. Information on the amounts of sales, profits or losses for each reportable segment

(in millions of yen)

	Reportable segments			Other		Adjustments	Amounts recorded in	
	Smart Life	Smart Workplace	Display Device	Total	(Note)1	Total	(Note)2	of income (Note)3
Sales								
Revenues from external customers	156,883	189,127	97,349	443,360	88,603	531,964	-	531,964
Transactions with other segments	229	276	4,375	4,881	4,778	9,660	(9,660)	-
Total	157,113	189,403	101,725	448,242	93,382	541,624	(9,660)	531,964
Segment profit (loss)	4,135	10,185	(10,982)	3,337	(4,027)	(689)	(5,120)	(5,810)

Note: 1. Business segments excluded from reportable segments are classified as Other, consisting of the Electronic Device business and Sakai Display Products Corporation. Of these, sales of 23,572 million yen (22,465 million yen from external customers, 1,107 million yen from transactions with other segments), and segment loss of (6,198) million yen were related to Sakai Display Products Corporation.

II. Three months Ended June 30, 2025

i. Information on the amounts of sales, profits or losses for each reportable segment

(in millions of yen)

	Reportable segments			Other		Adjustments	Amounts recorded in	
	Smart Life	Smart Workplace	Display Device	Total	(Note)1	Total	(Note)2	consolidated statement of income (Note)3
Sales								
Revenues from external customers	140,244	188,883	108,406	437,534	34,955	472,490	-	472,490
Transactions with other segments	155	471	863	1,490	3,089	4,580	(4,580)	-
Total	140,399	189,355	109,270	439,025	38,045	477,070	(4,580)	472,490
Segment profit (loss)	6,875	14,214	(2,522)	18,566	1,336	19,903	(4,600)	15,302

Note: 1. Business segments excluded from reportable segments are classified as Other, consisting of the Electronic Device business and Sakai Display Products Corporation.

^{2.} Adjustments for segment profits or losses of (5,120) million yen include (4,991) million yen in company-wide expenses that have not been allocated to each reportable segment. Company-wide expenses are mainly related to basic R&D expenses and expenses related to the Company's head office.

^{3.} Segment profits or losses are adjusted for operating losses in consolidated statements of income.

Adjustments for segment profits or losses of (4,000) million yen include (4,568) million yen in company-wide expenses that have not been allocated to each reportable segment.
 Company-wide expenses are mainly related to basic R&D expenses and expenses related to the Company's head office.

^{3.} Segment profits or losses are adjusted for operating profits in consolidated statements of income.

ii. Change in segment classification

In the previous fiscal year, we categorized the Group's reportable segments into five: Smart Life & Energy, Smart Office, Universal Network, Display Device and Electronic Device. Effective from the first quarter of the current fiscal year, reportable segments have been recategorized into three: Smart Life, Smart Workplace and Display Device.

This reorganization divides our strategic brand business into two groups: the Smart Life Business Group, which focuses on lifestyles, and the Smart Workplace Business Group, which focuses on workstyles. Our goal is to focus and shift our business to accelerate new value creation in each area and enhance profitability and growth potential. Meanwhile, Display Device continues to concentrate on high-value-added products for automotive, mobile, and industrial applications where we can maintain a competitive advantage.

Following the change in segments, the TV system business (formerly under Universal Network) is now classified under Smart Life, along with the previous Smart Life & Energy. Similarly, the mobile communication business (formerly under Universal Network) is now included in Smart Workplace, along with the previous Smart Office. In addition, we group Electronic Device, which is scheduled for transfer, and Sakai Display Products Corporation, which has halted production, under Other and exclude them from the reportable segments.

The segment information for the three months ended June 30, 2024 has been restated under the classification after the change.

iii. Information on segment assets

In the first quarter of the current fiscal year, the Group transferred its equity in Saigon STEC CO., LTD., a consolidated subsidiary, and excluded it from the scope of consolidation. As a result, assets included in Other (formerly included in Electronic Device) as of March 31, 2025 decreased by 9,228 million yen.

(Notes Related to Significant Changes in Shareholders' Equity) No applicable matter to report.

(Notes Related to the Going Concern Assumption)
No applicable matter to report.