

3. Forecast of results for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% figures for the full fiscal year represent year-on-year (YoY) increase or decrease, while % figures for the interim period are the % change compared with the same period of the previous fiscal year (YoY).)

	Net sales		Operating income		Ordinary income		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim period	135,000	(19.5)	4,000	(55.6)	3,000	(54.5)	2,000	(55.3)	85.35
Full fiscal year	270,000	(17.1)	8,000	(48.1)	7,000	(47.6)	5,000	(45.8)	213.39

* Notes

(1) Transfer of major subsidiaries during term (transfer of specified subsidiaries in line with changes in the consolidated range): None
New: — (Company name:) Excluded: — (Company name:)

(2) Changes in accounting principles, changes in accounting estimates, and restatements

1) Changes in accordance with revisions to accounting standards and related practices of accounting principles: None

2) Changes in items of accounting principles other than 1) above: None

3) Changes in accounting estimate: None

4) Restatement: None

(3) Number of shares issued and outstanding (common shares)

1. Total number of shares issued and outstanding (including treasury shares) at the period-end

March 31, 2023	25,000,000 shares	March 31, 2022	25,000,000 shares
March 31, 2023	1,561,844 shares	March 31, 2022	1,571,817 shares
March 31, 2023	23,430,367 shares	March 31, 2022	23,428,371 shares

2. Total number of treasury shares at the period-end

3. Average number of shares outstanding during the period

(Reference) Overview of non-consolidated operating results

1. Non-consolidated results for the fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(1) Non-consolidated operating results

(% change compared with the same period of the previous fiscal year (YoY))

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year 2022	190,816	11.8	7,359	81.3	7,660	38.4	5,209	82.9
Fiscal Year 2021	170,645	23.3	4,059	292.8	5,535	36.8	2,848	(25.6)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal Year 2022	222.34	—
Fiscal Year 2021	121.60	—

(2) Non-consolidated financial position

	Total assets	Net assets	Net assets to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	113,736	66,234	58.2	2,825.91
March 31, 2022	131,713	64,214	48.8	2,740.93

(Reference) Shareholders equity:

March 31, 2023: 66,234 million yen,

March 31, 2022: 64,214 million yen

Reason for difference in non-consolidated operating results between the fiscal year under review and the previous fiscal year

Net sales for the fiscal year under review differed from those of the previous fiscal year as a result of a number of factors, including harvesting of prior investment products in accordance with the policy of the 11th Medium-Term Business Plan; growth in existing businesses; and depreciation of the yen.

This earnings report is not subject to audits of certified public accountants or auditing corporations.

Caution with respect to forward-looking statements

(Note on forward-looking statements)

The estimates referred in this report are based on the information available as of the date of this release. Ryosan Company Limited (Ryosan) does not promise the realization of the estimates in this report. The actual results may significantly differ from the estimates due to a variety of factors. For details on the conditions that form the assumptions used for earnings forecasts and notes on using earnings forecasts, please refer to appendix page 3, “1. Summary of Operating Results, etc. (4) Future Prospects.”

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1. Summary of Operating Results, etc.

(1) Summary of Operating Results for Fiscal Year 2022

1) Overview

During the consolidated fiscal period under review (April 1, 2022 to March 31, 2023: Fiscal year 2022), the slowdown in the global economy gripped with increasing strength. Although the impact of the COVID-19 pandemic eased, the protraction of the crisis between Russia and Ukraine spurred rising resource and energy prices, while China's aggressive zero-COVID policy aggravated instability in supply chains. As inflation galloped, particularly in the advanced countries of North America and Europe, fiscal tightening advanced.

Similar trends impacted the Japanese economy. Although moves toward recovery continued, particularly in personal consumption, loss of economic momentum overseas, supply restrictions and a steep drop in the value of the Japanese yen continued to demand vigilance.

Uncertainty increased in the electronics industry, Ryosan's main field. Demand for PCs fell, while demand for industrial equipment was firm. A squeeze in supplies of semiconductors and electronic components continued to impact production activities.

In defiance of the challenging macroeconomic background described above, Ryosan posted gains across the board. Ryosan harvested previous product investments, exercising measures contained in the 11th Medium-Term Business Plan. Existing businesses also grew, and depreciation of the Japanese yen had an effect. In the consolidated fiscal year under review, net sales grew to 325,657 million yen (up 19.4% from the previous fiscal year). Operating income reached 15,423 million yen (up 74.1%), lifted by increased revenue, the weakening yen and measures to rein in selling, general and administrative expenses. Ordinary income climbed to 13,361 million yen (up 65.3%), despite appropriation of foreign exchange losses due to revaluation of foreign-currency-denominated liabilities. Profit attributable to owners of parent leapt to 9,224 million yen (up 72.1%).

2) Business Segment Information

a. Devices

Net sales rose to 285,580 million yen (up 18.6% from the previous fiscal year), paced by sales growth focused on consumer products and products for the industrial machinery sector. Operating income jumped 83.1% to 13,881 million yen (up 83.1%), lifted by factors such as yen depreciation and price rises.

b. Solutions

Large projects for the communications sector and growth in sales of infrastructure-related products powered net sales to 40,076 million (up 26.0% from the previous fiscal year). Operating income rose to 2,129 million yen (up 49.8%), lifted by increased sales of value-added products.

(2) Summary of Financial Position for Fiscal Year 2022

1) Assets

Total assets decreased by 2,360 million yen to 188,188 million yen compared with March 31, 2022. This is mainly because merchandise and finished goods decreased by 4,955 million yen and accounts receivable – other decreased by 4,376 million yen, while cash and deposits increased by 4,693 million yen and notes and accounts receivable – trade increased by 2,541 million yen.

2) Liabilities

Total liabilities decreased by 10,366 million yen to 85,457 million yen compared with March 31, 2022. This is mainly because commercial papers decreased by 4,999 million yen, short-term loans payable decreased by 4,375 million yen and accounts payable – trade decreased by 2,976 million yen.

(3) Summary of Cash Flows for Fiscal Year 2022

As of March 31, 2023, cash and cash equivalents increased by 4,735 million yen compared with the end of the previous fiscal year, to 16,752 million yen.

1) Net cash provided by (used in) operating activities

Regarding cash flow from operating activities in this consolidated fiscal year, funds in total increased by 19,587 million yen. Profit before income taxes was 13,362 million yen and inventories and accounts receivable – other decreased by 6,219 million yen and 5,289 million yen, respectively. In the net cash provided by (used in) operating activities in the previous consolidated fiscal year, there was a decrease of funds by 28,945 million yen.

2) Net cash provided by (used in) investing activities

Regarding cash flow from investing activities in this consolidated fiscal year, funds in total decreased by 427 million yen due to such factors as purchase of intangible assets. In the net cash provided by (used in) investing activities in the previous consolidated fiscal year, there was an increase of funds by 894 million yen.

3) Net cash provided by (used in) financing activities

Regarding cash flow from financing activities in this consolidated fiscal year, funds in total decreased by 15,381 million yen. Short-term loans payable and commercial papers decreased by 6,763 million yen and 4,999 million yen, respectively, and cash dividends paid amounted to 3,387 million yen. In the net cash provided by (used in) financing activities in the previous consolidated fiscal year, there was an increase of funds by 18,951 million yen.

(Reference) Trends in cash flow-related indicators

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Net assets to total assets (%)	59.9	61.7	60.5	49.7	54.6
Net assets to total assets (%) (Market capitalization basis)	47.4	40.6	35.7	27.0	40.9
Cash flow to Interest-bearing Liabilities (Years)	1.8	1.0	–	–	1.7
Interest coverage ratio (Times)	16.3	30.7	–	–	16.4

Net assets to total assets: Net assets / Total assets

Net assets to total assets (Market capitalization basis): Market capitalization / Total assets

Cash flow to Interest-bearing liabilities: Interest-bearing liabilities / Cash flow

Interest coverage ratio: Cash flow / Interest expense

*All indicators have been calculated from consolidated financial figures.

*Market capitalization was calculated based on the number of shares issued and outstanding less treasury shares.

*Cash flow refers to cash flows from operating activities as shown on the consolidated statements of cash flows.

*Interest-bearing liabilities comprise all debt on which interest was paid in the liabilities section of the consolidated balance sheet. Interest expense represents interest paid as shown on the consolidated statements of cash flows.

(4) Future Prospects

1) Overview

In terms of the global economy, Ryosan expects fiscal year 2023 to be marked by intensified geopolitical risk, a credit squeeze in various countries and continuing economic slowdown. In the electronics industry, Ryosan's main field, a downturn in market conditions is foreseen and the mood of uncertainty has intensified.

To translate its Long-Term Vision for Ryosan, RS Innovation 2030, into concrete terms, Ryosan launched the 11th Medium-Term Business Plan, covering the period from fiscal year 2021 to fiscal year 2023. The coming fiscal year constitutes the final year of this three-year plan. Ryosan will press ahead with implementation of initiatives specified in the Plan. Ryosan will continue to diversify its portfolio, by transforming sales channels and seeking out business opportunities in sales channels transferred as the result of commercial right acquisition; deepen its engagement with local businesses in China and Hong Kong through cooperation with local partners; harvest the

rewards of prior investment in several lines of products and make new investments in new products; invest to transform Ryosan's line of business, including entry into new manufacturing and other businesses, inspired by customer needs; raise the efficiency of existing businesses, using a wide range of digital technologies; and reinforce its foundations, including through overhaul of management information, education, risk management and governance. Ryosan expects to achieve the targets specified for FY2023 in the 11th Medium-Term Business Plan (net sales of 263,000 million yen, gross profit of 21,300 million yen, operating income of 6,900 million yen and return on equity (ROE) of 5%), in all categories of the Plan.

Ryosan's forecast of consolidated business results for fiscal year 2023 is as follows.

	Millions of yen	YoY change [%]
Net sales	270,000	Decrease 17.1
Operating income	8,000	Decrease 48.1
Ordinary income	7,000	Decrease 47.6
Profit attributable to owners of parent	5,000	Decrease 45.8

2) Estimates by Business Segment

a. Devices

Factoring in a drop-off in the effects of yen depreciation and the impact of a downturn in market conditions, Ryosan forecasts net sales of 230,000 million yen (down 19.5% from the previous fiscal year). Operating income is forecast to decline to 7,000 million yen (down 49.6%).

b. Solutions

Although large projects in communications wrapped up in the previous fiscal year, Ryosan will take on new business in electricity storage. Net sales are forecast to retreat to 40,000 million yen (down 0.2% from the previous fiscal year). Ryosan forecasts a decline of operating income to 1,500 million yen (down 29.6%), as changes in the product mix are expected to reduce gross profit margin.

3) Management integration with Ryoyo Electro

Ryosan and Ryoyo Electro Corporation (hereinafter "Ryoyo Electro") have each been exploring and implementing measures for further growth and development, including through alliances with other companies. As that process evolved, beginning in the spring of 2022, the two companies began sharing and deepening their understanding of each other's current condition and intended direction, conducting repeated dialogue on the possibilities for synergies between their operations. Ryosan and Ryoyo Electro reached the conclusion that, by establishing an even more robust partnership that combines the strengths and advantages of each, they could create and achieve new growth opportunities for both companies. With the aim of entering into even more detailed discussions, in February and March 2023 Ryoyo Electro acquired a number of shares in Ryosan. Currently Ryoyo Electro owns a 20.08% share of the voting rights in Ryosan.

Since Ryoyo Electro's acquisition of its stake in Ryosan, Ryosan and Ryoyo Electro have been working hard to revitalize their partnership, conferring repeatedly to flesh out the details of a wide-ranging alliance and synergies between their operations. In the process, the companies came to recognize the necessity of integrating management in a spirit of equality, rather than continuing to operate individually, to maximize profitability and operating efficiency. Ryosan and Ryoyo Electro therefore entered into the basic agreement today, May 15, 2023.

This integration represents a bold new framework. The two companies can now maximally leverage the cordial relations they enjoy with customers as well as the products and solutions that comprise their management resources, built up over a history of many years. In so doing, Ryosan and Ryoyo Electro will strive to increase corporate value as a new core group among electronics trading companies in Japan.

The two companies consider the overlap between them in terms of product mix and customer base to be limited. That being the case, they aim to build a business model that not only establishes a solid management base through increased scope of operations and improves productivity and management efficiency but also facilitates cross-selling of shared products and the creation of new value. Ryosan and Ryoyo Electro aim to create a new image for the electronics trading company, one that delivers solutions to the issues and concerns that confront customers and the entire market.

(5) Basic Policy Regarding the Allocation of Profits / Dividends for Fiscal Year 2022 and Fiscal Year 2023

Ryosan regards the return of earnings to shareholders as one of the most important elements of management and is making efforts to increase basic earnings per share. Ryosan's basic policy is to aim for consolidated dividend payout ratio of around 50%.

In accordance with this basic policy, Ryosan expects to distribute a year-end dividend of 90 yen per share for the consolidated fiscal year under review. With the inclusion of the interim dividend of 75 yen per share, the annual dividend is forecast to be 165yen per share. In the coming fiscal year, Ryosan forecasts an annual dividend of 100 yen per share.

2. Basic Approach to Selection of Accounting Standards

For the time being, Ryosan will prepare its consolidated financial statements in accordance with Japanese GAAP, out of consideration for issues such as comparability from period to period and comparability with other companies.

Ryosan will appropriately address matters regarding IFRS adoption, taking into account prevailing circumstances in Japan and overseas.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	Fiscal Year Ended March 31, 2022 (As of March 31, 2022)	Fiscal Year Ended March 31, 2023 (As of March 31, 2023)
ASSETS		
Current assets		
Cash and deposits	12,066	16,760
Notes and accounts receivable – trade	92,574	95,115
Merchandise and finished goods	52,636	47,680
Work in process	11	16
Accounts receivable – other	18,721	14,345
Other	1,094	649
Allowance for doubtful accounts	(276)	(645)
Total current assets	176,827	173,923
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,413	6,512
Accumulated depreciation	(3,849)	(3,973)
Buildings and structures, net	2,563	2,539
Land	5,178	5,179
Lease assets	1,303	1,304
Accumulated depreciation	(909)	(852)
Leased assets, net	394	451
Other	1,993	1,901
Accumulated depreciation	(1,792)	(1,707)
Other, net	201	193
Total property, plant and equipment	8,338	8,364
Intangible assets	985	1,059
Investments and other assets		
Investment securities	3,001	3,474
Deferred tax assets	295	398
Other	1,206	1,069
Allowance for doubtful accounts	(106)	(100)
Total investments and other assets	4,397	4,842
Total non-current assets	13,720	14,265
Total assets	190,548	188,188

(Millions of yen)

	Fiscal Year Ended March 31, 2022 (As of March 31, 2022)	Fiscal Year Ended March 31, 2023 (As of March 31, 2023)
LIABILITIES		
Current liabilities		
Accounts payable – trade	42,976	39,999
Short-term loans payable	38,079	33,703
Commercial papers	4,999	—
Lease obligations	224	157
Accounts payable – other	3,469	3,863
Accrued expenses	1,930	2,497
Income taxes payable	1,798	2,631
Other	391	483
Total current liabilities	93,869	83,336
Non-current liabilities		
Lease obligations	202	318
Deferred tax liabilities	597	797
Net defined benefit liability	1,068	838
Asset retirement obligations	23	24
Other	62	142
Total non-current liabilities	1,953	2,120
Total liabilities	95,823	85,457
NET ASSETS		
Shareholders' equity		
Capital stock	17,690	17,690
Capital surplus	19,114	19,114
Retained earnings	59,586	65,358
Treasury shares	(6,534)	(6,458)
Total shareholders' equity	89,857	95,705
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,257	1,443
Deferred gains or losses on hedges	1	1
Foreign currency translation adjustment	3,634	5,649
Remeasurements of defined benefit plans	(25)	(67)
Total accumulated other comprehensive income	4,867	7,026
Total net assets	94,724	102,731
Total liabilities and net assets	190,548	188,188

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

Consolidated Statement of Income

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2022 (Apr. 1, 2021 to Mar. 31, 2022)	Fiscal Year Ended Mar. 31, 2023 (Apr. 1, 2022 to Mar. 31, 2023)
Net sales	272,647	325,657
Cost of Sales	247,741	292,848
Gross Profit	24,906	32,808
Selling, general and administrative expenses		
Packing and transportation expenses	1,362	1,313
Provision of allowance for doubtful accounts	20	364
Directors' compensations	583	665
Salaries and allowances	4,404	4,629
Bonuses	1,598	1,769
Retirement benefit expenses	445	447
Welfare expenses	1,036	1,132
Depreciation	611	606
Other	5,984	6,454
Total selling, general and administrative expenses	16,049	17,385
Operating income	8,857	15,423
Non-operating income		
Interest income	31	37
Dividend income	71	77
Share of profit of entities accounted for using equity method	—	61
Commission fee	34	149
Rent income	52	48
Miscellaneous income	104	217
Total non-operating income	294	591
Non-operating expenses		
Interest expenses	184	1,205
Share of loss of entities accounted for using equity method	121	—
Foreign exchange losses	674	1,403
Miscellaneous loss	86	43
Total non-operating expenses	1,066	2,653
Ordinary income	8,085	13,361
Extraordinary income		
Gain on sales of non-current assets	0	0
Gain on sales of investment securities	57	—
Gain on sales of golf memberships	1	—
Total extraordinary income	59	0
Extraordinary losses		
Impairment loss	19	—
Loss on valuation of investment securities	1	—
Loss on valuation of golf membership	—	0
Total extraordinary losses	21	0
Profit before income taxes	8,123	13,362
Income taxes - current	2,516	4,097
Income taxes - deferred	248	40
Total income taxes	2,764	4,137
Profit	5,359	9,224
Profit attributable to owners of parent	5,359	9,224

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2022 (Apr. 1, 2021 to Mar. 31, 2022)	Fiscal Year Ended Mar. 31, 2023 (Apr. 1, 2022 to Mar. 31, 2023)
Profit	5,359	9,224
Other comprehensive income		
Valuation difference on available-for-sale securities	(269)	186
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	2,810	2,014
Remeasurements of defined benefit plans, net of tax	26	(42)
Total other comprehensive income	2,567	2,158
Comprehensive Income	7,927	11,383
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	7,927	11,383

(3) Consolidated Statements of Changes in Net Assets

Fiscal Year Ended Mar. 31, 2022 (Apr. 1, 2021 to Mar. 31, 2022)

(Millions of yen)

	Shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	17,690	19,114	57,039	(6,533)	87,310
Changes of items during period					
Dividends of surplus			(2,811)		(2,811)
Profit attributable to owners of parent			5,359		5,359
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	2,547	(0)	2,547
Balance at end of current period	17,690	19,114	59,586	(6,534)	89,857

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	1,526	1	824	(52)	2,299	89,609
Changes of items during period						
Dividends of surplus						(2,811)
Profit attributable to owners of parent						5,359
Purchase of treasury shares						(0)
Net changes of items other than shareholders' equity	(269)	0	2,810	26	2,567	2,567
Total changes of items during period	(269)	0	2,810	26	2,567	5,114
Balance at end of current period	1,257	1	3,634	(25)	4,867	94,724

Fiscal Year Ended Mar. 31, 2023 (Apr. 1, 2022 to Mar. 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	17,690	19,114	59,586	(6,534)	89,857
Changes of items during period					
Dividends of surplus			(3,399)		(3,399)
Profit attributable to owners of parent			9,224		9,224
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(53)	117	63
Purchase of treasury shares through a stock issuance trust				(63)	(63)
Disposal of treasury shares through a stock issuance trust				23	23
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	5,771	76	5,847
Balance at end of current period	17,690	19,114	65,358	(6,458)	95,705

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	1,257	1	3,634	(25)	4,867	94,724
Changes of items during period						
Dividends of surplus						(3,399)
Profit attributable to owners of parent						9,224
Purchase of treasury shares						(0)
Disposal of treasury shares						63
Purchase of treasury shares through a stock issuance trust						(63)
Disposal of treasury shares through a stock issuance trust						23
Net changes of items other than shareholders' equity	186	0	2,014	(42)	2,158	2,158
Total changes of items during period	186	0	2,014	(42)	2,158	8,006
Balance at end of current period	1,443	1	5,649	(67)	7,026	102,731

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2022 (Apr. 1, 2021 to Mar. 31, 2022)	Fiscal Year Ended Mar. 31, 2023 (Apr. 1, 2022 to Mar. 31, 2023)
Cash flows from operating activities		
Profit before income taxes	8,123	13,362
Depreciation	631	624
Impairment loss	19	—
Increase (decrease) in allowance for doubtful accounts	16	355
Increase (decrease) in net defined benefit liability	(362)	(238)
Interest and dividend income	(103)	(115)
Interest expenses	184	1,205
Share of (profit) loss of entities accounted for using equity method	121	(61)
Loss (gain) on sales of investment securities	(57)	—
Loss (gain) on sales of property, plant and equipment	(0)	(0)
Other loss (gain)	1,586	1,869
Decrease (increase) in notes and accounts receivable – trade	(18,937)	(852)
Decrease (increase) in inventories	(14,889)	6,219
Increase (decrease) in notes and accounts payable – trade	8,435	(4,332)
Decrease (increase) in accounts receivable – other	(13,870)	5,289
Increase (decrease) in other assets and liabilities	1,937	734
Subtotal	(27,163)	24,059
Interest and dividends income received	103	114
Interest expenses paid	(185)	(1,194)
Income taxes (paid) refund	(1,699)	(3,392)
Net cash provided by (used in) operating activities	(28,945)	19,587
Cash flows from investing activities		
Purchases of property, plant and equipment	(124)	(62)
Proceeds from sales of property, plant and equipment	198	0
Purchase of intangible assets	(244)	(225)
Purchase of shares of subsidiaries and associates	—	(175)
Purchases of investment securities	(15)	(15)
Proceeds from sales of investment securities	120	—
Decrease (increase) in time deposits	(1)	(8)
Proceeds from withdrawal of time deposits	—	50
Proceeds from sales of membership	3	—
Proceeds from distribution of investment in partnerships	4	8
Purchase of insurance funds	(128)	—
Proceeds from cancellation of insurance funds	1,083	—
Net cash provided by (used in) investing activities	894	(427)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	16,941	(6,763)
Repayments of lease obligations	(182)	(226)
Increase (decrease) in commercial papers	4,999	(4,999)
Purchase of treasury shares	(0)	(68)
Cash dividends paid	(2,805)	(3,387)
Proceeds from sale of treasury shares	—	63
Net cash provided by (used in) financing activities	18,951	(15,381)
Effect of exchange rate change on cash and cash equivalents	479	957
Net increase (decrease) in cash and cash equivalents	(8,619)	4,735
Cash and cash equivalents at the beginning of the period	20,636	12,016
Cash and cash equivalents at the end of the period	12,016	16,752

(5) Notes on Consolidated Financial Statements

(Notes Regarding Going Concern)

Not applicable.

(Notes Regarding Substantial Changes in Shareholders' Equity)

Not applicable.

(Segment Information)

Segment Information

1. Overview of Reporting Segments

Ryosan's reporting segments are made up of those created from financial information sorted by business segment and those evaluated by the President periodically.

Ryosan has set up its business headquarters at Ryosan's head office for each article of merchandise and product, and Ryosan is expanding business activities by having each business headquarters formulate comprehensive strategies for the products that they handle, for both within Japan and overseas.

Therefore, regarding the reporting segments for its business headquarters, Ryosan lists "Devices" "and "Solutions."

The main products of each business segment are as follows:

Devices: Semiconductors and electronic components

Solutions: IT devices and solutions

2. Information Concerning Sales and Income or Loss Amount by Reporting Segment

Consolidated fiscal year ended March 31, 2022

(April 1, 2021 to March 31, 2022)

(Millions of yen, figures less than ¥1 million have been omitted)

	Reporting Segment			Adjusted amount (Note 1)	Amounts shown on consolidated statement of income (Note 2)
	Devices	Solutions	Total		
Net sales					
Sales to external customers	240,831	31,816	272,647	—	272,647
Internal sales or exchange between segments	—	—	—	—	—
Total	240,831	31,816	272,647	—	272,647
Segment income (loss)	7,582	1,421	9,004	(147)	8,857

Notes:

1. The adjusted amount of minus 147 million yen represents corporate expenses (mainly general and administrative expenses) which are not allocated to the reporting segments.
2. Segment income has been adjusted with operating income in the consolidated statement of income.
3. Segment assets are not shown in these reporting segments as they are not subject to the President's performance evaluation.

Consolidated fiscal year ended March 31, 2023

(April 1, 2022 to March 31, 2023)

(Millions of yen, figures less than ¥1 million have been omitted)

	Reporting Segment			Adjusted amount (Note 1)	Amounts shown on consolidated statement of income (Note 2)
	Devices	Solutions	Total		
Net sales					
Sales to external customers	285,580	40,076	325,657	—	325,657
Internal sales or exchange between segments	—	—	—	—	—
Total	285,580	40,076	325,657	—	325,657
Segment income (loss)	13,881	2,129	16,010	(587)	15,423

Notes:

1. The adjusted amount of minus 587 million yen represents corporate expenses (mainly general and administrative expenses) which are not allocated to the reporting segments.
2. Segment income has been adjusted with operating income in the consolidated statement of income.
3. Segment assets are not shown in these reporting segments as they are not subject to the President's performance evaluation.

Related Information

1. Information on products and services

As in the Reporting Segment

2. Information by region

(1) Sales

Consolidated fiscal year ended March 31, 2022

(April 1, 2021 to March 31, 2022)

(Millions of yen)

	Japan	China	Asia	Other	Consolidated
Net sales	141,658	71,454	47,771	11,764	272,647
Ratio to consolidated net sales (%)	52.0	26.2	17.5	4.3	100.0

Note:

Net sales are on the basis of customer location and classified by country or region.

Consolidated fiscal year ended March 31, 2023

(April 1, 2022 to March 31, 2023)

(Millions of yen)

	Japan	China	Asia	Other	Consolidated
Net sales	167,312	84,902	62,098	11,343	325,657
Ratio to consolidated net sales (%)	51.4	26.1	19.1	3.5	100.0

Note:

Net sales are on the basis of customer location and classified by country or region.

(2) Property, plant and equipment

This information is not presented since the amount of property, plant and equipment in Japan constitutes more than 90% of the total amount of property, plant and equipment on the consolidated balance sheet.

(Per Share Information)

(Yen unless otherwise stated)

Item	Fiscal Year 2021 (April 1, 2021 to March 31, 2022)	Fiscal Year 2022 (April 1, 2022 to March 31, 2023)
Net assets per share	4,043.20	4,383.09
Basic earnings per share	228.75	393.70

(Notes) 1. Information on diluted earnings per share is not presented because there are no latent shares.

2. Basis for calculation

(1) Net assets per share

(Millions of yen unless otherwise stated)

Item	Fiscal Year 2021 (As of March 31, 2022)	Fiscal Year 2022 (As of March 31, 2023)
Total of net assets	94,724	102,731
Amount to be deducted from the total of net assets (Of which non-controlling interests)	— (—)	— (—)
Closing net assets relating to common shares	94,724	102,731
Number of common shares as of end of term used in the calculation of net assets per share (thousand shares)	23,428	23,438

(2) Basic earnings per share

(Millions of yen unless otherwise stated)

Item	Fiscal Year 2021 (April 1, 2021 to March 31, 2022)	Fiscal Year 2022 (April 1, 2022 to March 31, 2023)
Basic earnings per share		
Profit attributable to owners of parent	5,359	9,224
Amount not attributable to common shareholders	—	—
Profit attributable to owners of parent relating to common shares	5,359	9,224
Average number of common shares outstanding during the term (thousand shares)	23,428	23,430

4. Other

(1) New Orders

(Millions of yen, figures less than 1 million yen have been omitted)

	Fiscal Year 2021 (April 1, 2021 to March 31, 2022)	Fiscal Year 2022 (April 1, 2022 to March 31, 2023)
Devices	341,861	277,958
Solutions	50,026	52,902
Total	391,887	330,860

(2) Geographical Segment Information

Fiscal year 2021, the fiscal year ended March 31, 2022

(April 1, 2021 to March 31, 2022)

(Millions of yen, figures less than ¥1 million have been omitted)

	Japan	Asia	Other	Total	Eliminations or corporate	Consolidated
Sales:						
(1) Sales to external customers	147,660	113,901	11,086	272,647	—	272,647
(2) Internal sales or exchange between segments	22,985	1,118	41	24,144	(24,144)	—
Total	170,645	115,019	11,127	296,792	(24,144)	272,647
Segment income	4,202	4,014	202	8,419	437	8,857

Notes:

1. Country and regional segments are classified on the basis of geographic proximity.

2. Principal countries and regions covered:

Asia: Hong Kong, China, Thailand and others

Other: United States and others

Fiscal year 2022, the fiscal year ended March 31, 2023

(April 1, 2022 to March 31, 2023)

(Millions of yen, figures less than ¥1 million have been omitted)

	Japan	Asia	Other	Total	Eliminations or corporate	Consolidated
Sales:						
(1) Sales to external customers	170,293	144,408	10,954	325,657	—	325,657
(2) Internal sales or exchange between segments	20,522	546	71	21,140	(21,140)	—
Total	190,816	144,955	11,026	346,798	(21,140)	325,657
Segment income	7,359	6,901	574	14,835	587	15,423

Notes:

1. Country and regional segments are classified on the basis of geographic proximity.

2. Principal countries and regions covered:

Asia: Hong Kong, China, Thailand and others

Other: United States and others