

AND

HOLON

A&D HOLON Holdings

**Briefing Materials: Financial Results for FYE
March 31, 2024**

**A&D HOLON Holdings Company,
Limited**

Securities Code:
7745

<Caution>

Statements regarding forecasts contained in this document are based on judgments made in accordance with information currently available and are subject to change due to future economic trends and new technological developments in Japan and around the world.

Therefore, the Company does not guarantee the accuracy of said statements.

FYE March 31, 2024

**Increase in sales and profit continues year on year.
Almost achieved the initial forecast.**

Net sales: 61,955 million yen +5.0% year on year
Operating profit: 7,955 million yen +6.4% year on year

- In the semiconductor-related business, the demand for our products has remained robust throughout the year, leading to a significant increase in sales and profit and leading our growth .
- In the medical and healthcare equipment business, in terms of business performance, we have almost reached the initial forecast but the exchange rate has made a significant impact.
- In the measuring and weighing equipment business, there was a year-on-year increase but we did not reach the initial forecast due to the impact of EV trends and reduced equipment investment demand overseas.

Forecast for FYE March 31, 2025

**Continued increase in sales and profit is expected,
aiming to achieve the final year target of the
medium-term business plan.**

Net sales: 66,000 million yen +6.5% year on year
Operating profit: 9,200 million yen +15.6% year on year

- In the semiconductor-related business, we expect results comparable to FYE March 31, 2024. Focusing on developing next-generation equipment.
- In the medical and healthcare equipment business, we plan to promote sales strategies for each region and develop new business as well as strengthen our initiatives to reduce costs.
- In the measuring and weighing equipment business, we aim to expand our business by restructuring in the Americas and capturing demand in the China and Asia region.

Shareholder Returns

**Annual dividends forecast for the fiscal year ending March 31, 2025 is scheduled to be 40 yen,
an increase of 5 yen from the fiscal year ended March 31, 2024.**
(Interim dividend of 20 yen, year-end dividend of 20 yen)

Performance Trends

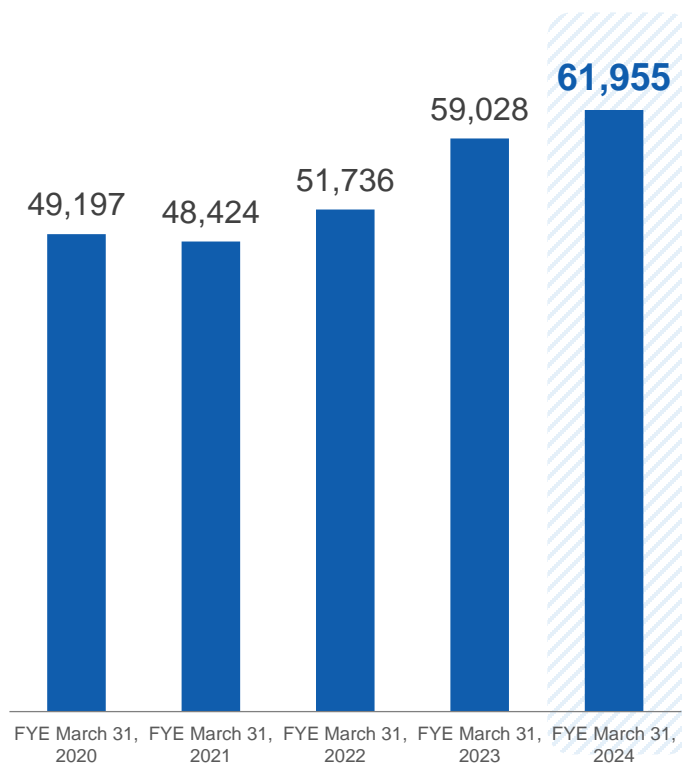
ROE from FYE March 31, 2021 is holding at double-digit figures, while ROE for FYE March 31, 2024 is 15.1% with PBR over 1.

	FYE March 31, 2020	FYE March 31, 2021	FYE March 31, 2022	FYE March 31, 2023	FYE March 31, 2024
ROE	9.2%	17.6%	15.9%	19.5%	15.1%
PBR	0.77	1.24	0.83	1.20	2.12

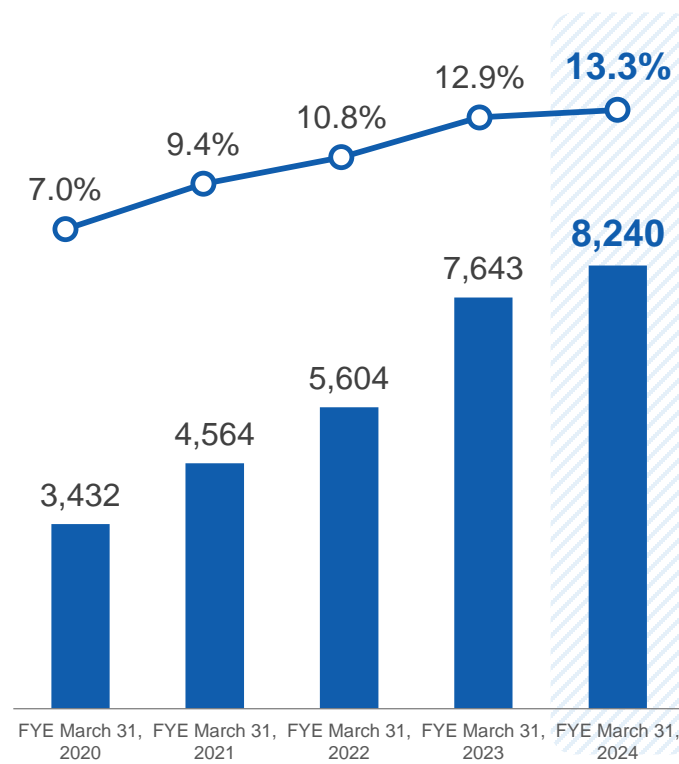
*PBR is calculated using the stock price at the end of March of each fiscal year.

(Unit: million yen)

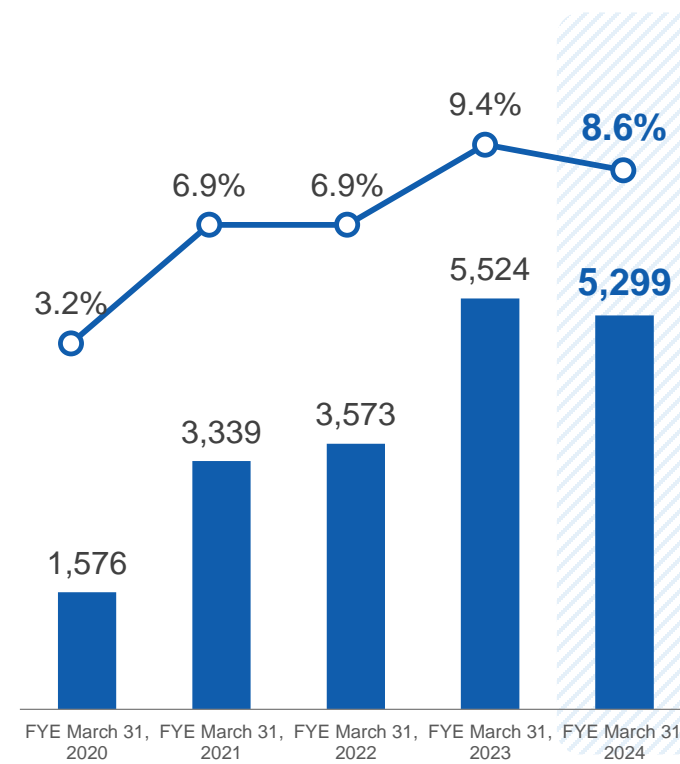
Net sales



Ordinary profit & percentage



Net profit & percentage



Further strengthening the semiconductor-related business, the driver of growth

Semiconductor-related business: Construction of the new HOLON manufacturing facility, establishing a stable production system that supports increased demand

Announced on
February 27, 2024

The demand for products remains particularly strong in the semiconductor-related business, which is positioned as a growth driver in the A&D HOLON Group, and a shortage in production capacity is expected in the near future.

We are promoting new product development such as next-generation machines and planning to further expand our business by constructing the new manufacturing facility to expand development space within the head office manufacturing facility.



Summary of capital expenditures

Name	HOLON CO.,LTD., Plant No. 2 (tentative)
Location	4-55 Ichibancho, Tachikawa City, Tokyo
Site area	4,701 m ²
Total floor area	4,389 m ²
Plant overview	Steel construction/3 floors above ground
Total investment	3.77 billion yen (scheduled)

Schedule

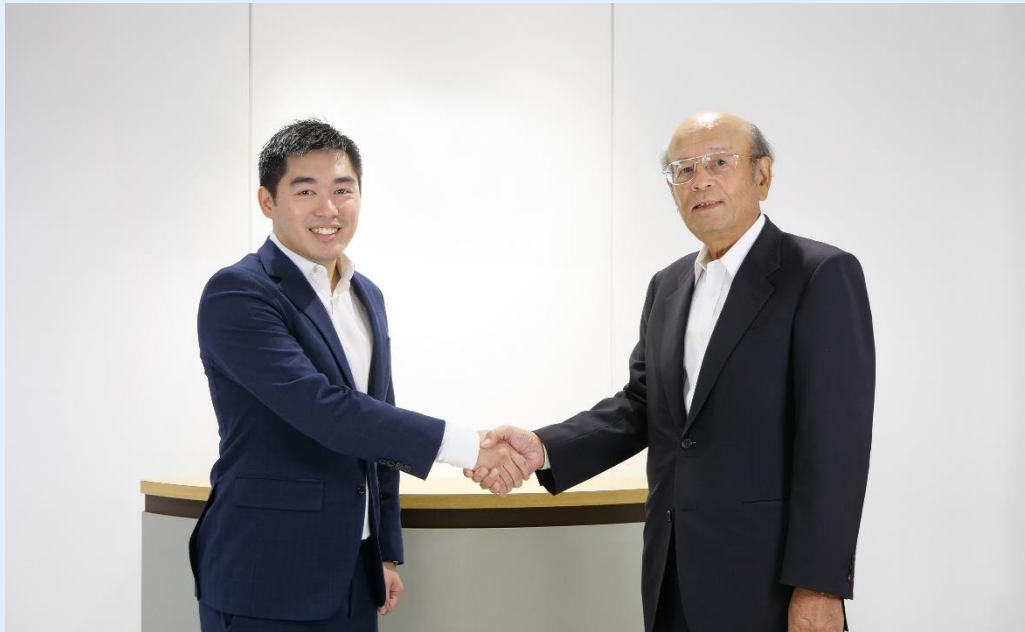
Land transfer	January 2024
Scheduled start of construction work	October 2024
Scheduled completion of construction work	December 2025

A&D invests in Aevice Health Pte Ltd, a provider of remote respiratory monitoring solutions.

Strengthening the provision of health solutions by mutual use of technology in healthcare

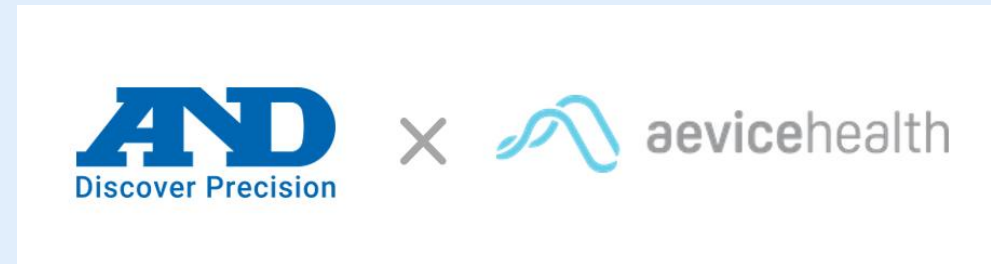
Announced on
May 14, 2024

We entered an agreement to invest 1 million US dollars in Aevice Health Pte Ltd (hereafter, Aevice), a company based in Singapore that provides solutions to remotely monitor respiratory function.



Left: Adrian Ang, CEO of Aevice

Right: Yasunobu Morishima,
Representative Director of A&D



This investment is to promote mutual use of the A&D HOLON Group's sales network and technology in healthcare, mainly blood pressure monitors, which is our strength with Aevice's proprietary technology in digital health. This will enable us to create new products and services with even greater added value to address the health issues that society is facing.

Aevice's mission is to "improve access to healthcare, empower the lives of patients, and reduce medical costs". It is a digital health company that focuses on improving asthma and COPD (chronic obstructive pulmonary disease) care through its proprietary non-invasive remote patient monitoring platform and wearable stethoscope "AeviceMD," which uses cutting-edge technology.

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Summary of business results for the FYE March 31, 2024

Sales and profit continued to increase with +5.0% for net sales and +6.4% for operating profit year on year, mostly reaching what we expected vs forecast.

The highly profitable semiconductor-related business grew significantly to drive overall performance.

(Unit: million yen)	FYE March 31, 2023		FYE March 31, 2024		Change	YoY	(Reference)	
		Percentage		Percentage			Initial forecast	Achievement rate
Net sales	59,028	—	61,955	—	2,927	+5.0%	62,000	99.9%
Cost of sales	32,725	55.4%	34,335	55.4%	1,610	+4.9%	—	—
Gross profit	26,303	44.6%	27,619	44.6%	1,316	+5.0%	—	—
SG&A expenses	18,827	31.9%	19,664	31.7%	836	+4.4%	—	—
Operating profit	7,475	12.7%	7,955	12.8%	480	+6.4%	7,800	102.0%
Ordinary profit	7,643	12.9%	8,240	13.3%	596	+7.8%	7,450	110.6%
Net profit before taxes	7,571	12.8%	7,952	12.8%	381	+5.0%	—	—
Net profit attributable to shareholders of parent company	5,524	9.4%	5,299	8.6%	-224	-4.1%	5,110	103.7%
Net profit per share (yen)	201.33	—	192.91	—	-8.42	—	186.15	—

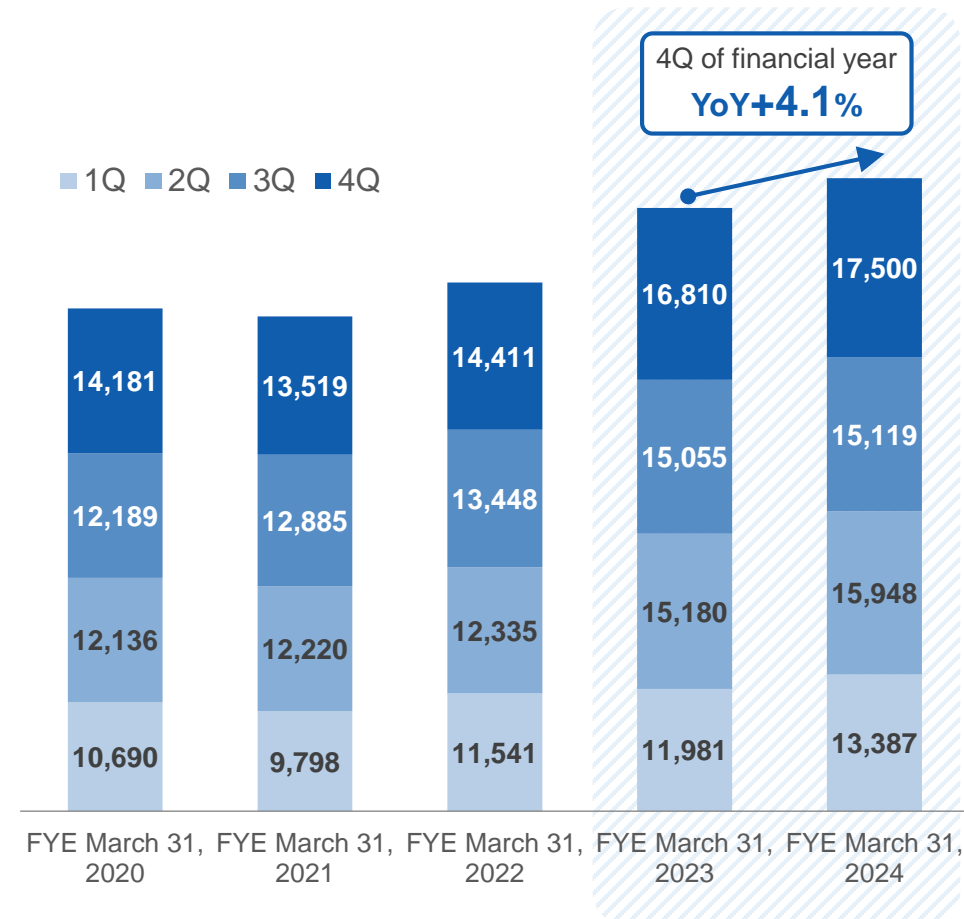
Net sales and operating profit by quarter

Fourth quarter of the financial year: Record high for both net sales and operating profit

(Unit: million yen)

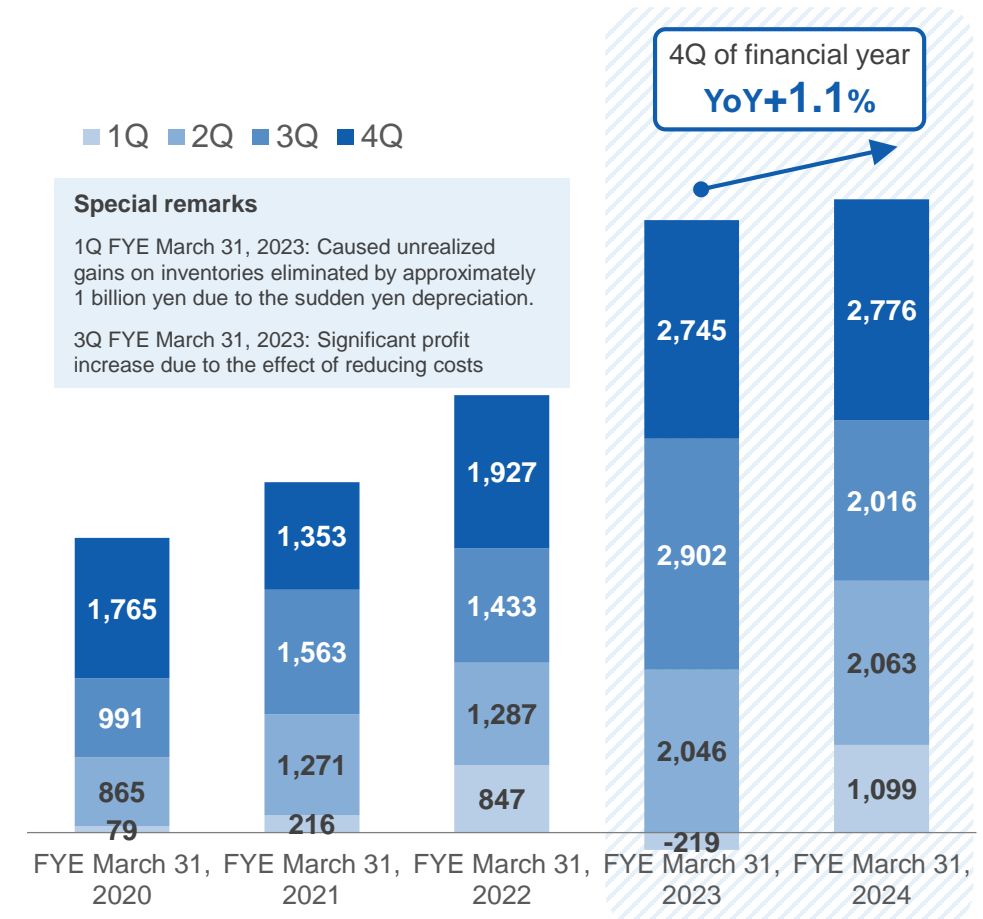
Net sales

FYE March 31, 2020	FYE March 31, 2021	FYE March 31, 2022	FYE March 31, 2023	FYE March 31, 2024
49,197	48,424	51,736	59,028	61,955



Operating profit

FYE March 31, 2020	FYE March 31, 2021	FYE March 31, 2022	FYE March 31, 2023	FYE March 31, 2024
3,700	4,404	5,496	7,475	7,955



Net sales by region

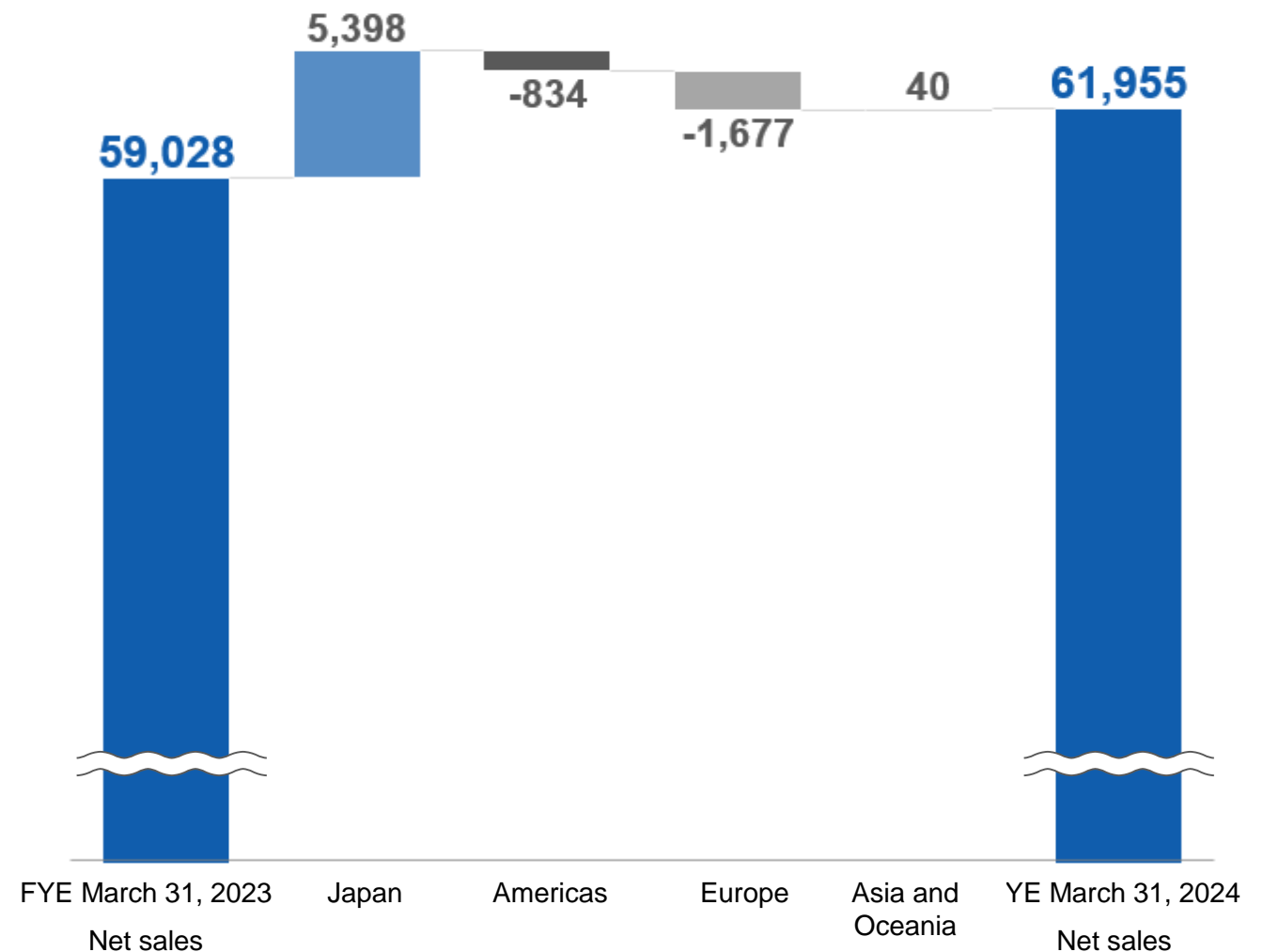
Although overseas net sales declined primarily due to reduced capital investment in the Americas and the impact of the European exchange rate, growth in the semiconductor-related business increased net sales in Japan.

Net sales by region

	FYE March 31, 2023		FYE March 31, 2024		YoY
	Amount	Proportion	Amount	Proportion	
Japan	28,671	48.6%	34,069	55.0%	+18.8%
Over-seas	30,356	51.4%	27,885	45.0%	-8.1%

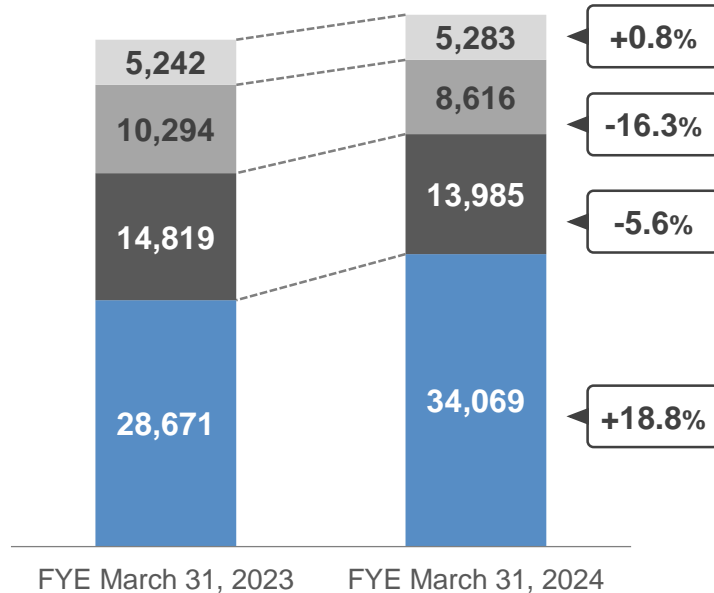
Analysis of change in net sales by region

(Unit: million yen)



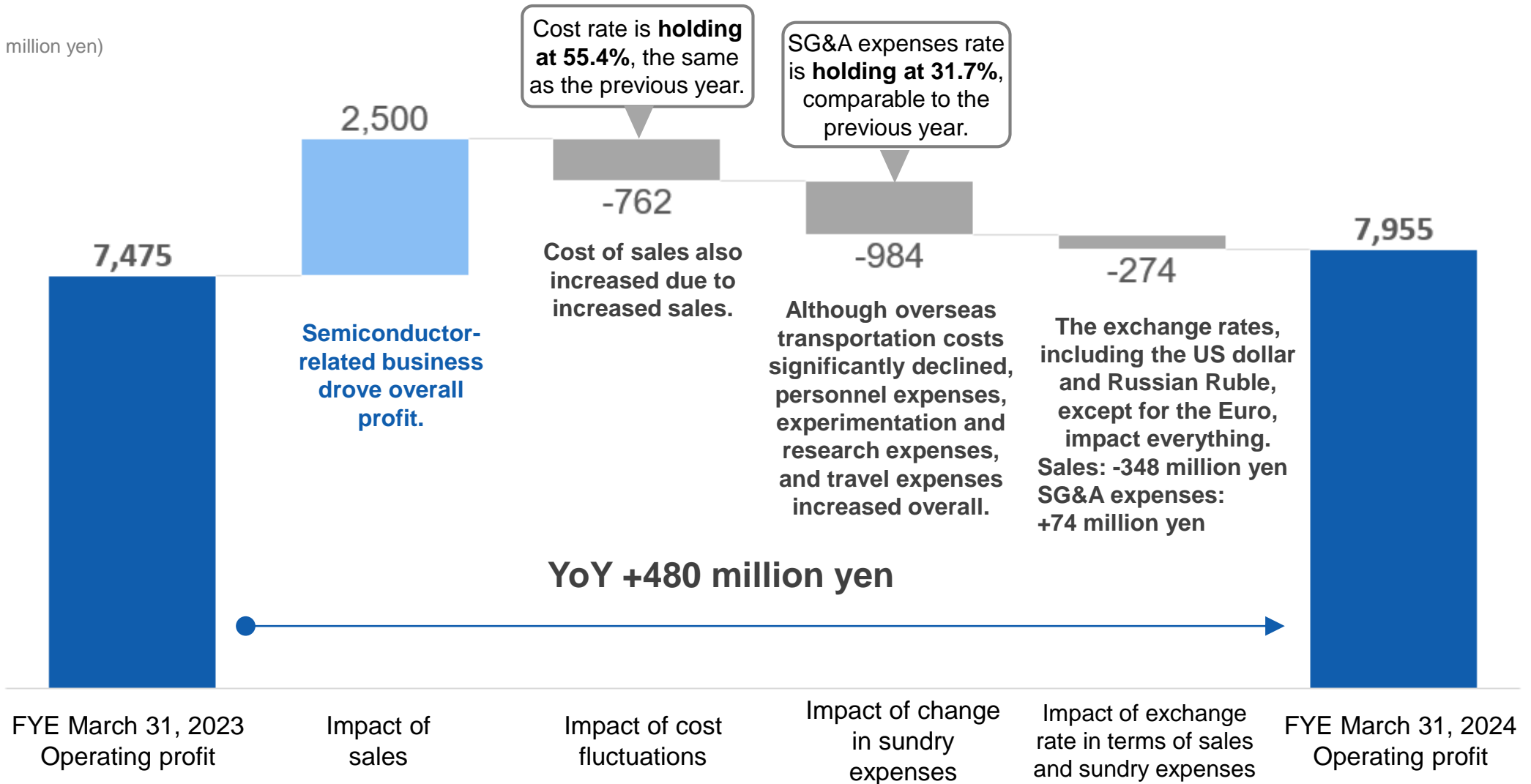
■ Japan ■ Americas ■ Europe ■ Asia and Oceania

YoY



Factors Causing Changes in Operating Profit

(Unit: million yen)



Balance Sheet

(Unit: million yen)	FYE March 31, 2023	FYE March 31, 2024	Change
Total current assets	52,660	54,368	1,707
Total non-current assets	16,757	17,618	860
Total assets	69,418	71,986	2,568
Total current liabilities	31,202	29,896	-1,306
Total non-current liabilities	5,640	4,327	-1,313
Total liabilities	36,843	34,223	-2,619
Total shareholders' equity	33,677	38,017	4,339
Total net assets	32,574	37,762	5,187
Total liabilities and net assets	69,418	71,986	2,568
Shareholder's equity ratio	46.8%	52.3%	+5.5%

- Current assets increased by 1,707 million yen, primarily in notes, accounts receivable, and trade and contract assets.
- Non-current assets increased by 860 million yen, primarily in land.
- Short and long-term borrowings decreased by approximately 2,600 million yen.

Cash Flow

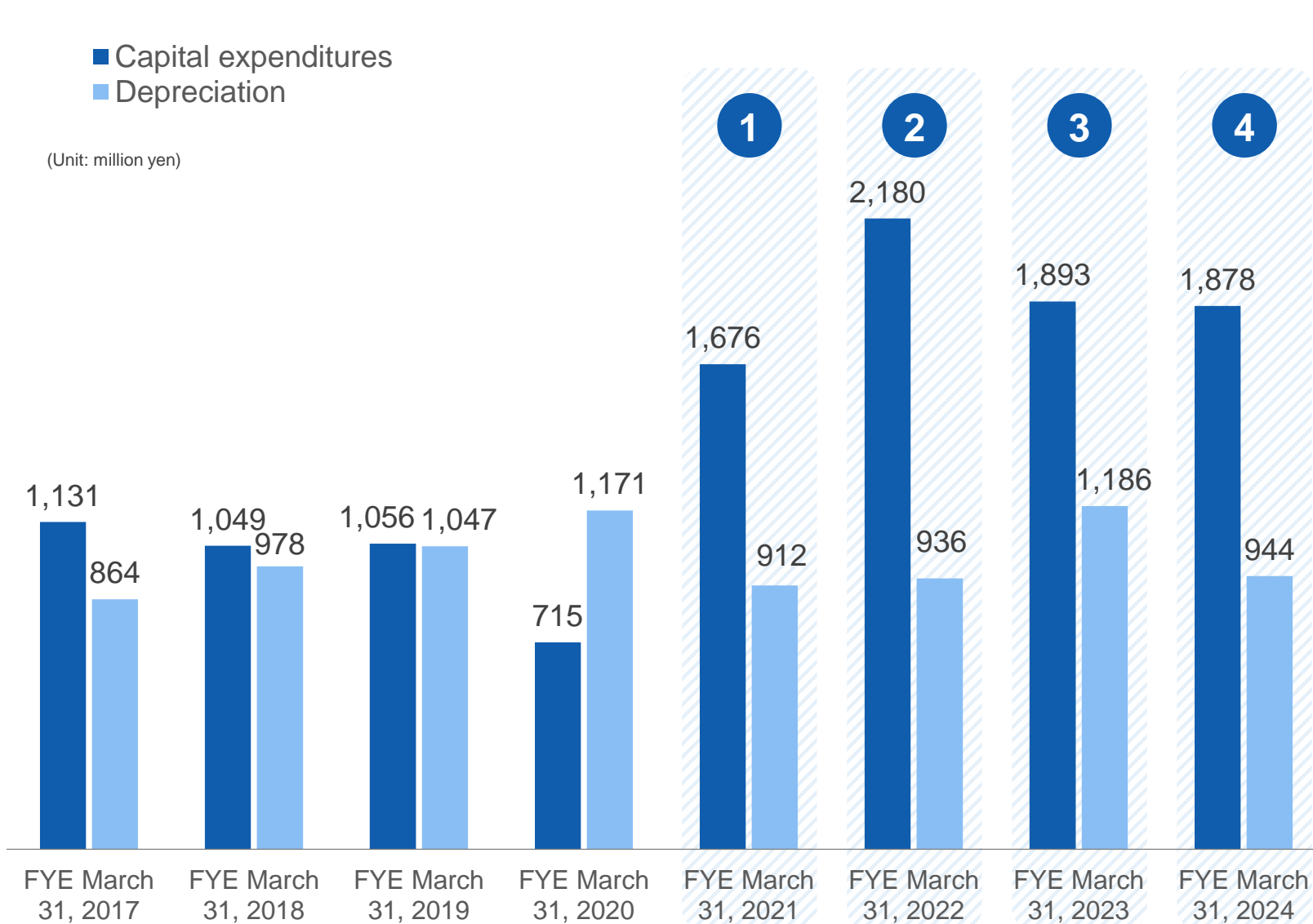
Increased operating cash flow due to reduction in inventories allocated to capital expenditures and repayment of borrowings

(Unit: million yen)	FYE March 31, 2023	FYE March 31, 2024	Change
Cash flow from operating activities	4,096	7,201	3,104
Cash flow from investing activities	-1,364	-2,007	-643
Free cash flow	2,732	5,193	2,461
Cash flow from financing activities	452	-5,674	-6,126
Cash and cash equivalents at end of the fiscal year	14,315	14,016	-298

Capital Expenditures and Depreciation

■ Capital expenditures
■ Depreciation

(Unit: million yen)



1
Capital expenditures increased in the fiscal year ended March 31, 2021 due to the construction of the HOLON head office manufacturing facility.

2
Capital expenditures increased in the fiscal year ended March 31, 2022 due to construction of a new manufacturing plant in South Korea and continuation of the construction of the HOLON head office manufacturing facility.

3
The amount recorded to assets increased in the fiscal year ended March 31, 2023 due to contract renewals of rental property such as overseas subsidiary plants and offices (due to the adoption of IFRS and US GAAP).

4
Capital expenditures increased in the fiscal year ended March 31, 2024 due to the acquisition of planned land for the new HOLON manufacturing facility.

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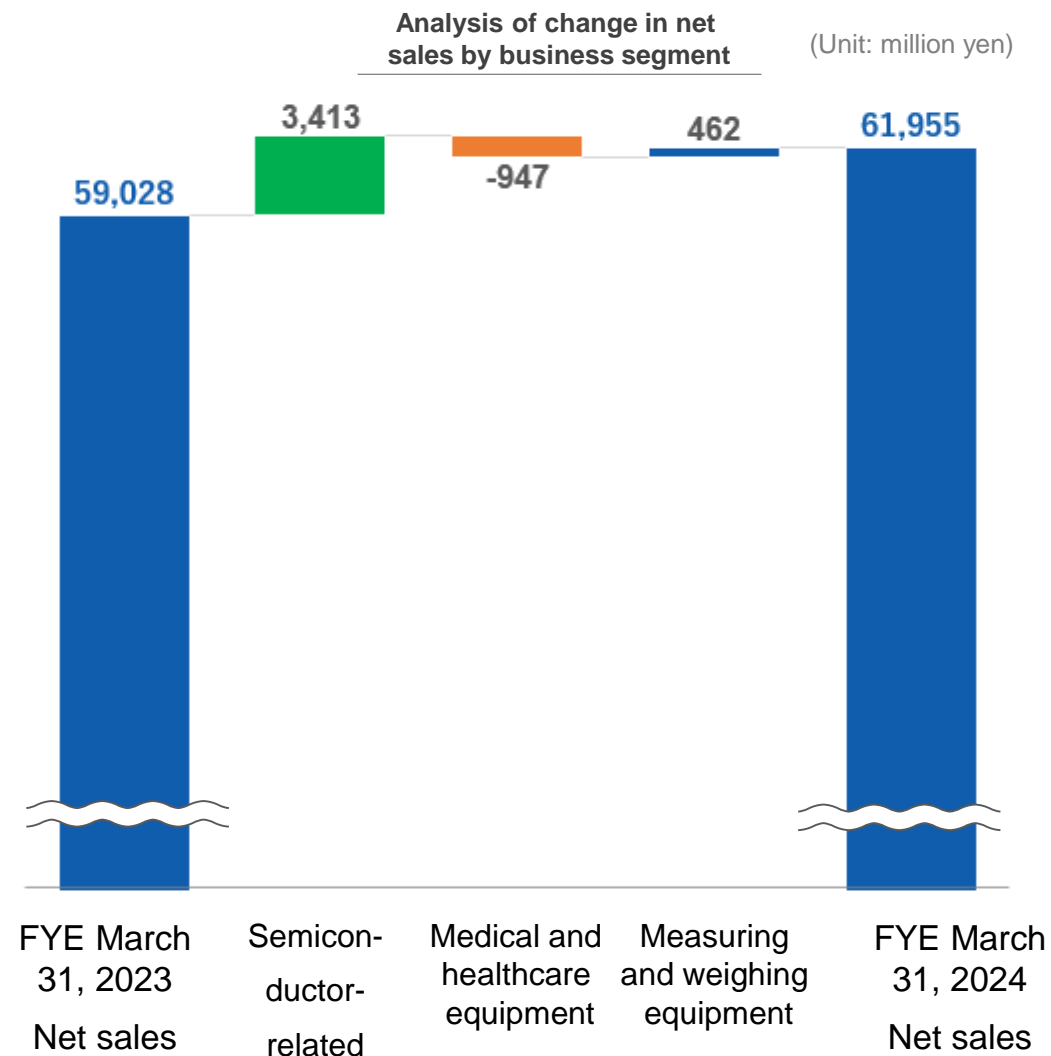
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Results by Business Segment

The semiconductor-related business significantly grew year on year, the medical and healthcare equipment business almost reached the forecast figure, and the measuring and weighing equipment business increased year on year but did not achieve the forecast figure.

	FYE March 31, 2023	FYE March 31, 2024	YoY	Initial forecast	Achievem ent rate
Net sales	59,028	61,955	+5.0%	62,000	99.9%
Semiconductor- related	6,916	10,329	+49.3%	8,200	126.0%
Medical and healthcare equipment	24,511	23,563	-3.9%	23,600	99.8%
Measuring and weighing equipment	27,600	28,062	+1.7%	30,200	92.9%
Operating profit	7,475	7,955	+6.4%	7,800	102.0%
Semiconductor- related	2,339	3,785	+61.8%	-	-
Medical and healthcare equipment	4,675	4,249	-9.1%	-	-
Measuring and weighing equipment	2,539	1,762	-30.6%	-	-
Corporate expenses and adjustment	-2,079	-1,842	-	-	-



Results by Business Segment: Semiconductor-related Business

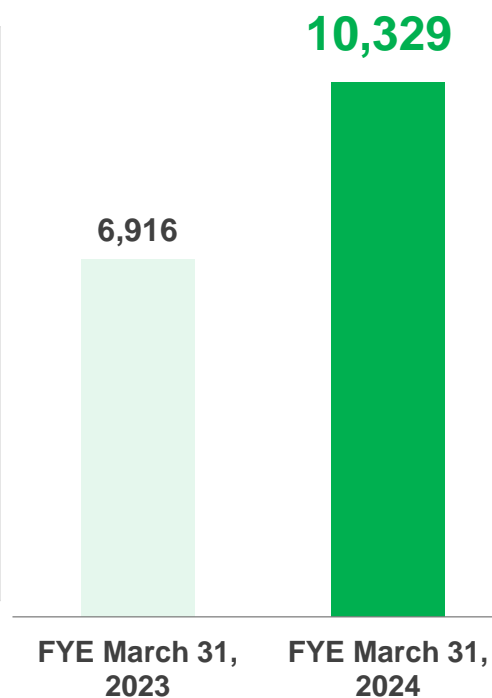
Demand for our products has remained robust throughout the year, and as a result of the entire company's effort to meet demand, we achieved a significant increase in sales and profit so that net sales is +49.3% and operating profit is +61.8% year on year.

- Strengthening our manufacturing and shipping systems to meet customer demand
- In addition to traditional profitability, profitability continues to improve due to the promotion of cost reductions by group procurement and improvements in productivity.
(FYE March 31, 2023: 33.8% → FYE March 31, 2024: 36.7%)

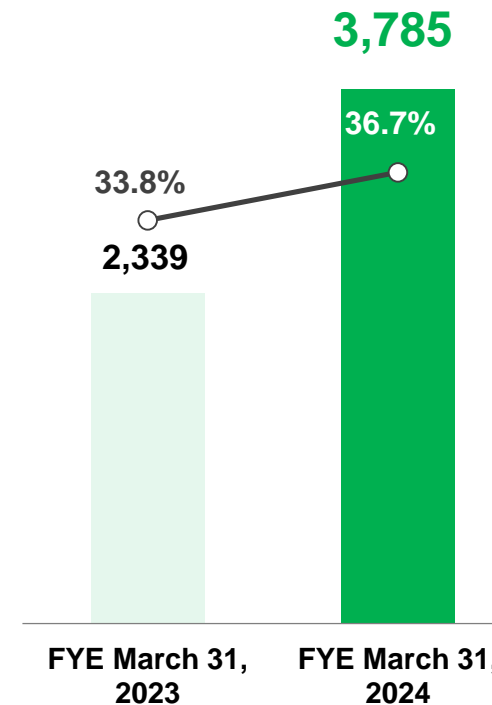
Net sales and operating profit

	FYE March 31, 2023	FYE March 31, 2024	YoY	Reference	
				Initial forecast	Achievement rate
Net sales	6,916	10,329	+49.3%	8,200	126.0%
Operating profit	2,339	3,785	+61.8%	—	—

Net sales



Operating profit and percentage (Unit: million yen)



*: Semiconductor-related business is in Japan only

*: Operating profit by each business segment does not include corporate expenses and adjustments for trading between segments (FYE March 31, 2023: -2,079 million yen, FYE March 31, 2024: -1,842 million yen).

Results by Business Segment: Medical and Healthcare Equipment Business

Although we almost reached the initial forecast and demand by customer and region has shown an overall uptrend, the exchange rate particularly in Europe has impacted performance.

Japan The demand for medical and healthcare products recovered in the 4th quarter, and both sales and profit are comparable to the previous year.

Americas The strong demand for home blood pressure monitors continues in the USA, and sales have increased primarily for large projects, while profit has also increased due to lower transport costs and product mix.

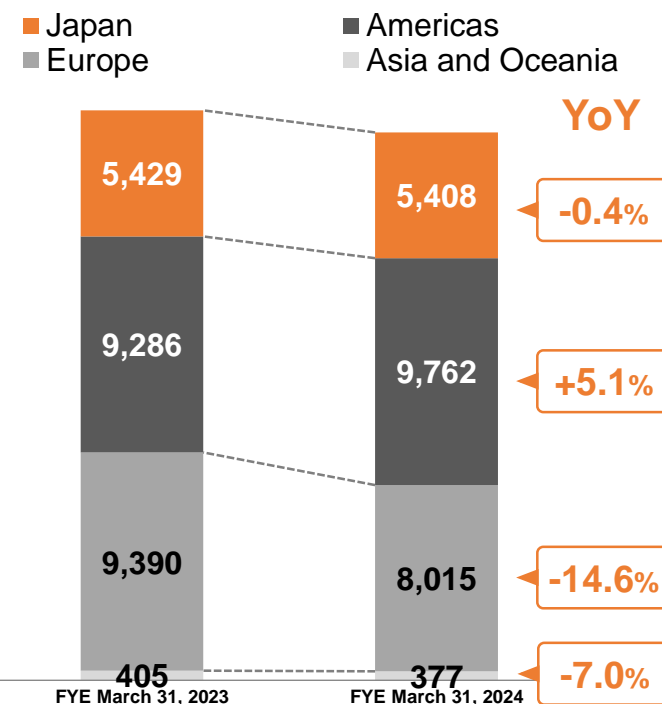
Europe Sales have increased in local currency terms because we have been able to maintain our local market share, while cost increases and fluctuations in the exchange rate have made a significant impact so that both sales and profit declined after converting to yen.

Net sales and operating profit

	FYE March 31, 2023 Proportion is shown in (%)		FYE March 31, 2024 Proportion is shown in (%)		YoY	Reference	
						Initial forecast	Achievement rate
Total net sales	24,511		23,563		-3.9%	23,600	99.8%
Medical equipment	4,360	(17.8%)	4,503	(19.1%)	+3.3%	4,700	95.8%
Healthcare equipment	20,150	(82.2%)	19,060	(80.9%)	-5.4%	18,900	100.8%
Operating profit	4,675		4,249		-9.1%	—	—

Net sales by region

(Unit: million yen)



Results by Business Segment: Measuring and Weighing Equipment Business

Although performance has been driven by the increase in demand after the resumption of capital expenditures in Japan that was postponed during the COVID-19 pandemic, the demand for capital expenditures stagnated overseas, particularly in the USA and China, which caused a significant impact, resulting in increased sales but a decline in profit year on year.

The deficit due to higher raw material prices in 1Q caused a decline in profit but this became profitable in 2Q, and the operating profit percentage in the second half of the year was comparable to the previous year and is recovering.

Japan

Due to greater demand for capital expenditures, shipments for the DSP system* have shown a strong performance particularly in the 4th quarter, and both sales and profit have increased.

Americas

The reactionary decline from last year's special demand for our best-performing weighing equipment is a heavy burden until the end of the year. Reductions in capital expenditures continues, resulting in sluggish performance for the DSP system.

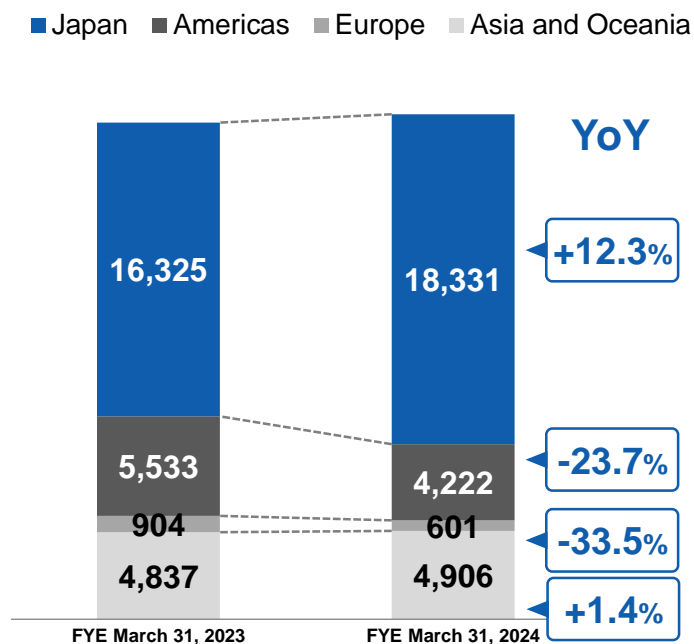
Asia and Oceania

There has been an uptrend for demand in countries such as South Korea and India and sales have increased, while the burden of various cost increases that includes personnel expenses has affected profit.

Net sales and operating profit

	FYE March 31, 2023		FYE March 31, 2024			Reference		
	Proportion is shown in ().		1st half	2nd half	Total	YoY	Initial forecast	Achievement rate
Total net sales	27,600		12,488	15,574	28,062	+1.7%	30,200	92.9%
Measuring equipment	2,439	(8.8%)	1,022	1,635	2,658	+9.0%	2,860	93.0%
Weighing equipment	19,151	(69.4%)	9,276	9,632	18,909	-1.3%	20,170	93.7%
DSP equipment	6,009	(21.8%)	2,188	4,305	6,494	+8.1%	7,170	90.6%
Operating profit	2,539		361	1,400	1,762	-30.6%	—	—

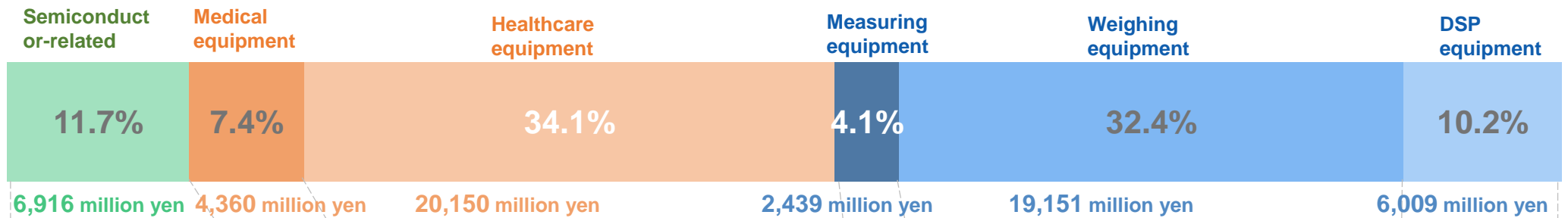
Net sales by region (Unit: million yen)



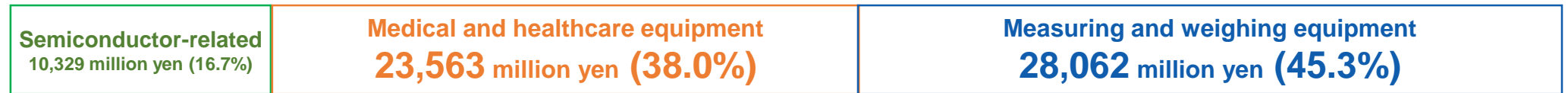
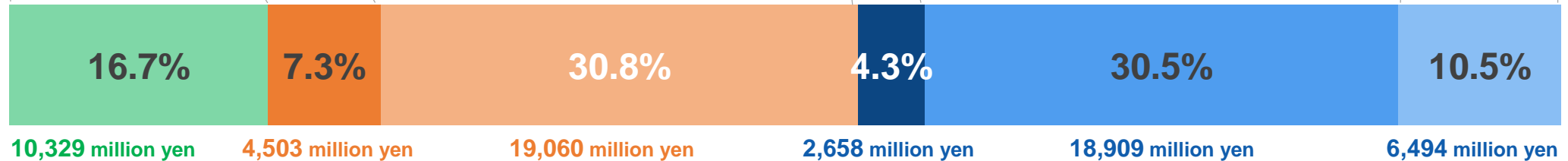
Net Sales Composition by Business Segment

■ Semiconductor-related
 ■ Medical equipment
 ■ Healthcare equipment
 ■ Measuring equipment
 ■ Weighing equipment
 ■ DSP equipment

FYE March 31,
 2023
59,028
 million yen



FYE March 31,
 2024
61,955
 million yen



CD-SEM for Photomask



Fully Automatic BPM



Home BPM



Tensile and compression testing machines



Analytical Electronic Balances



Vehicle-mounted integrated measurement systems (VMS)

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Full Year Forecast for FYE March 31, 2025

We expect an increase in net sales of +6.5% year on year and an operating profit of +15.6% year on year, a double-digit increase for operating profit.

We expect the final year of the medium-term business plan (FYE March 31, 2025) to be in line with the upwardly revised forecasts announced on May 12, 2023.

Business environment

Semiconductor-related business

New demand is expected to continue rising in the medium to long term, and we must closely monitor changes in the environment, such as tighter export control to China by the USA. Demand for our products is expected to be comparable to the previous year.

Medical and healthcare equipment business

We expect demand to continue in the medical and healthcare sector for promoting digitalization of medical care, developing medical infrastructure, and individual health management, however, the difficult business environment is expected to continue due to affecting factors such as geopolitical risk and the exchange rate.

Measuring and weighing equipment business

Amid the continued accelerating shift to becoming a global carbon-neutral society and digital society, we will continue to invest in new technology and production facilities.

(Unit: million yen)	FYE March 31, 2024	FYE March 31, 2025 forecast	Percentage change
Net sales	61,955	66,000	+6.5%
Operating profit	7,955	9,200	+15.6%
Ordinary profit	8,240	8,980	+9.0%
Net profit attributable to shareholders of parent company	5,299	6,200	+17.0%
Net income per share (yen)	192.91	225.59	+32.68

Assumed exchange rate: 1 USD = 140.00 yen, 1 Russian Ruble = 1.60 yen

Forecast of Business Performance by Segment for FYE March 31, 2025

At FYE March 31, 2025, the semiconductor-related business is not expected to make a significant contribution to performance, but the measuring and weighing equipment business is expected to contribute to performance due to an increase in demand mostly in the USA and Asian region.

(Unit: million yen)		FYE March 31, 2024 (Results)	FYE March 31, 2025 (Forecast)	Percentage change
Semiconductor-related business		10,329	10,500	+1.6%
Medical and healthcare equipment business	Medical equipment	4,503	4,600	+2.2%
	Healthcare equipment	19,060	19,300	+1.3%
	Subtotal	23,563	23,900	+1.4%
Measuring and weighing equipment business	Weighing equipment	18,909	21,600	+14.2%
	DSP equipment	9,153	10,000	+9.2%
	Subtotal	28,062	31,600	+12.6%
Total net sales		61,955	66,000	+6.5%

Semiconductor-related business

Given the situation of order backlogs and inquiries, we expect results to be comparable to FYE March 31, 2024. We will steadily implement preparations for further growth to support increased future growth by promoting the development of new products such as next-generation equipment and by strengthening our relations with existing customers.

Medical and healthcare equipment business

In addition to such tasks as expanding our sales area and distribution in each country, and promoting the development of new business, we will further review component procurement and promote initiatives to improve productivity with the aim of reducing costs and also maintaining and increasing our performance.

Measuring and weighing equipment business

We will review distribution routes in the USA and review our sales strategy in terms of strengthening sales channels to restructure the business and also expand our business in the Asian region, including China, as well as enhance support for electrification with the aim of increasing our performance.

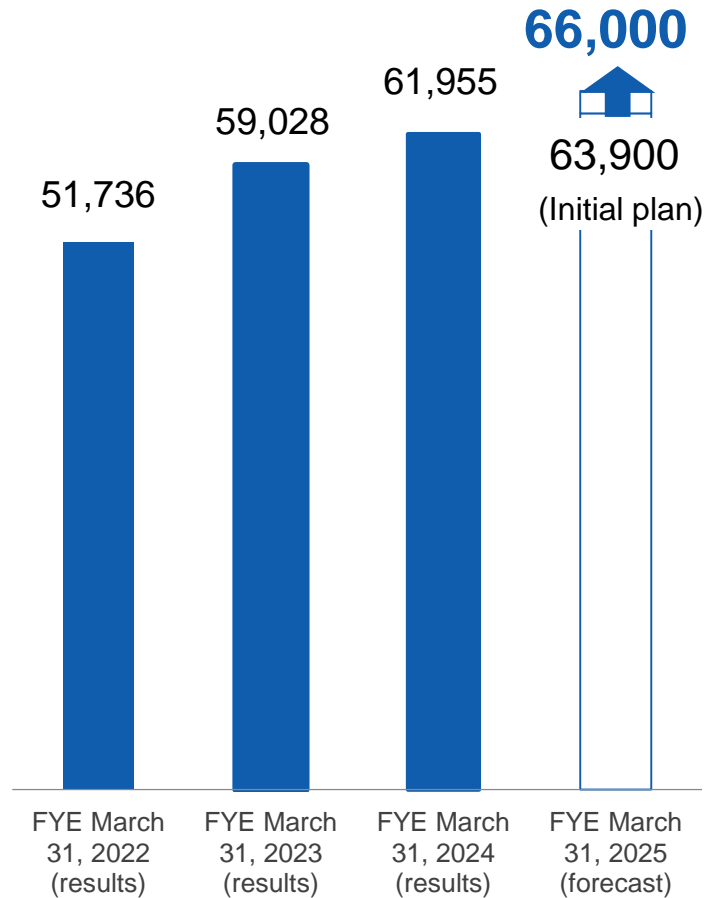
*Measuring and weighing equipment business breakdown was changed. Measuring equipment and DSP equipment were combined as DSP equipment from the forecast for FYE March 31, 2025.

Medium-term Business Plan Financial Targets

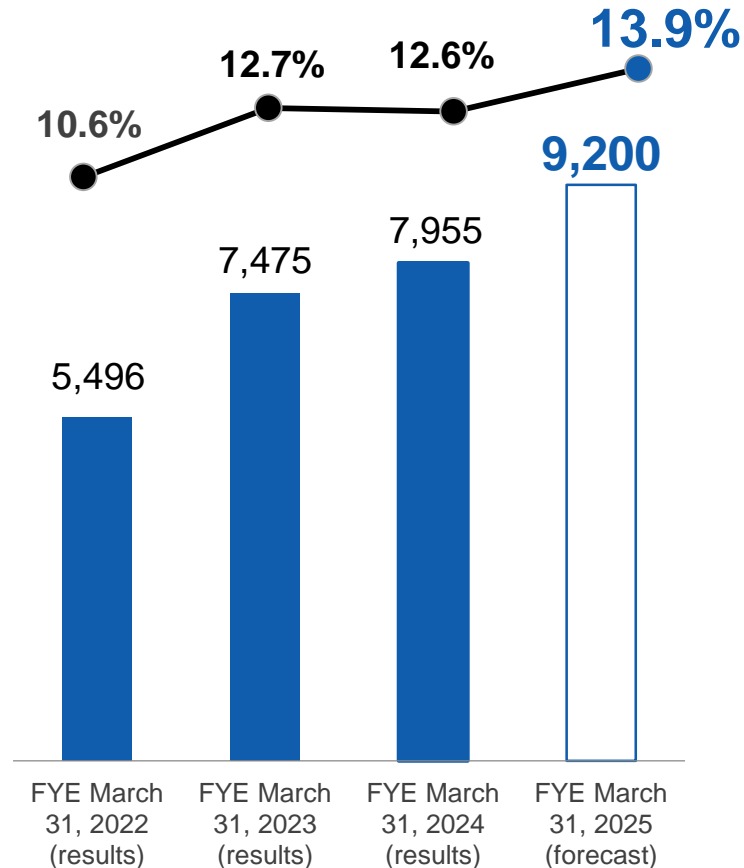
The final year (FYE March 31, 2025) is expected to be in line with the upwardly revised forecasts announced on May 12, 2023.

(Unit: million yen)

Net sales



Operating profit and percentage



FYE March 31, 2025

Net sales
Compared to FYE
March 31, 2022
+27.6%

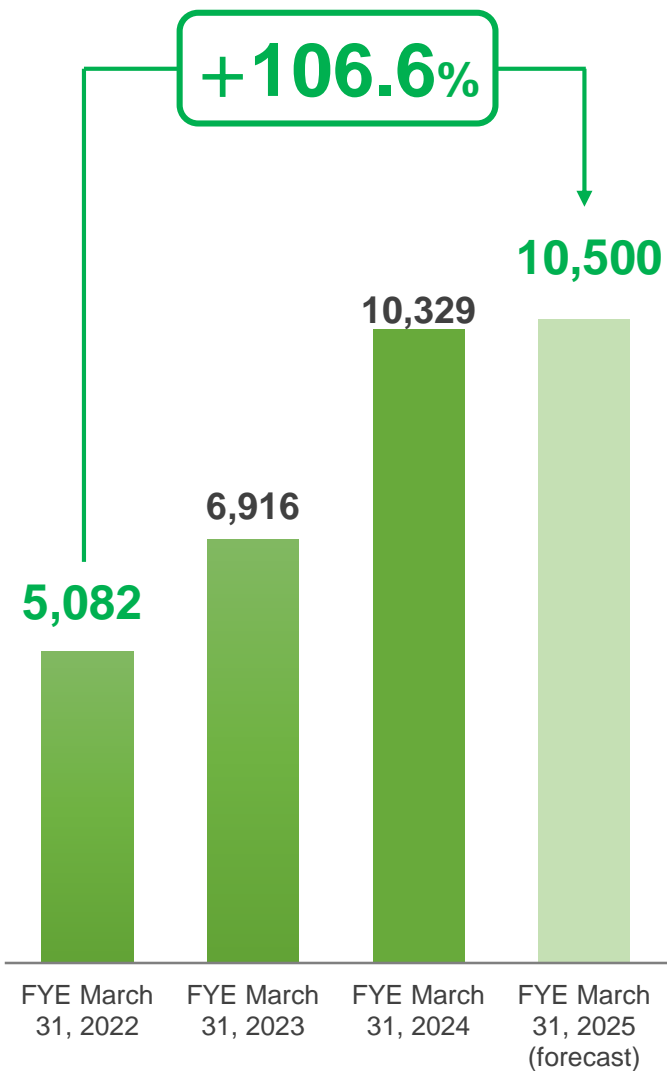
Operating profit
Compared to FYE
March 31, 2022
+67.4%

Medium-term Business Plan Financial Targets: Net Sales by Segment

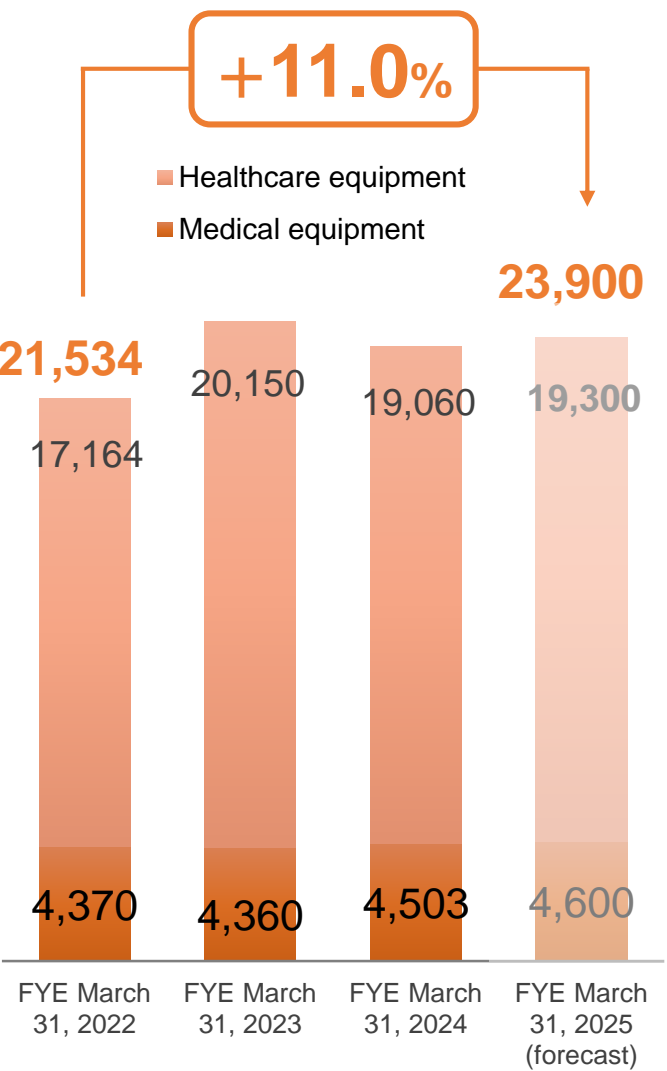
*Measuring and weighing equipment business breakdown was changed. Measuring equipment and DSP equipment were combined as DSP equipment from the forecast for FYE March 31, 2025.

(Unit: million yen)

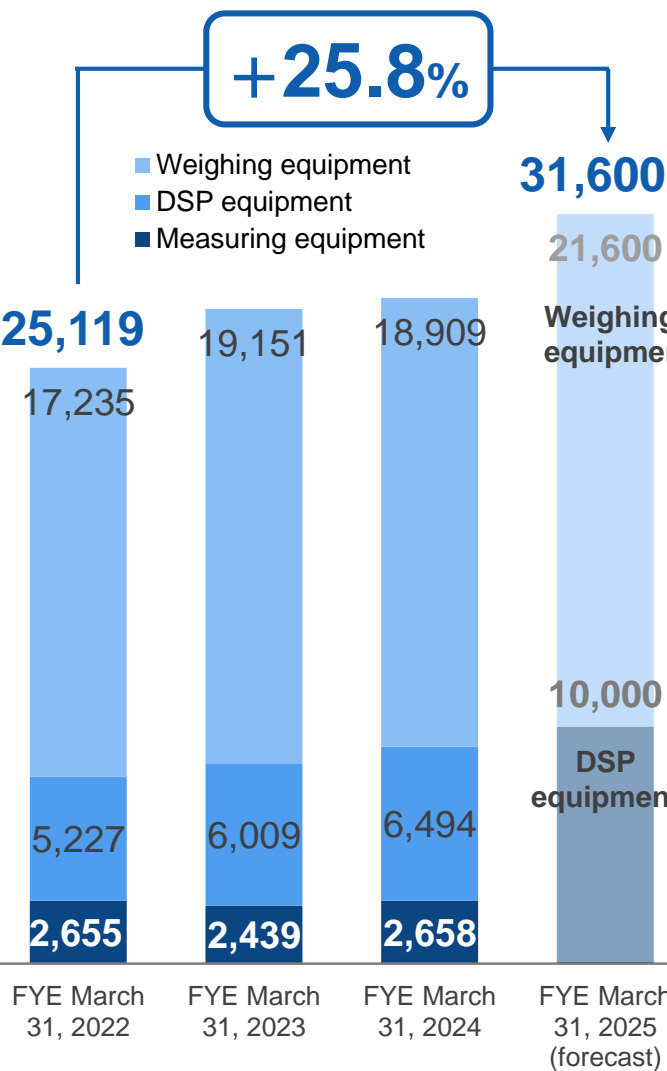
Semiconductor-related business



Medical and healthcare equipment business



Measuring and weighing equipment business

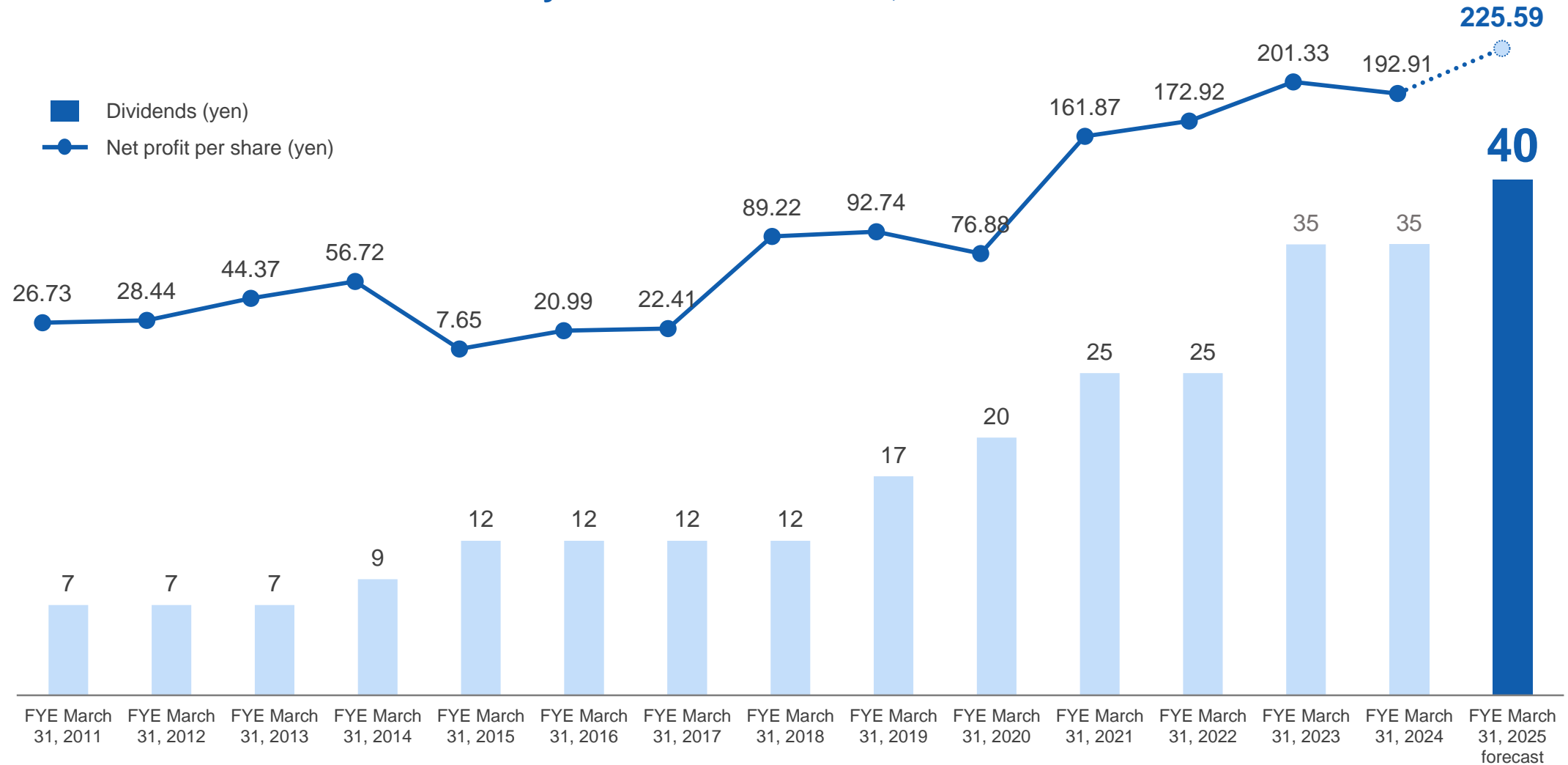


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Shareholder Returns

Annual dividends forecast for the fiscal year ending March 31, 2025 will be 40 yen (interim dividend of 20 yen, year-end dividend of 20 yen), an increase of 5 yen from the fiscal year ended March 31, 2024 based on the business results for the fiscal year ended March 31, 2024.



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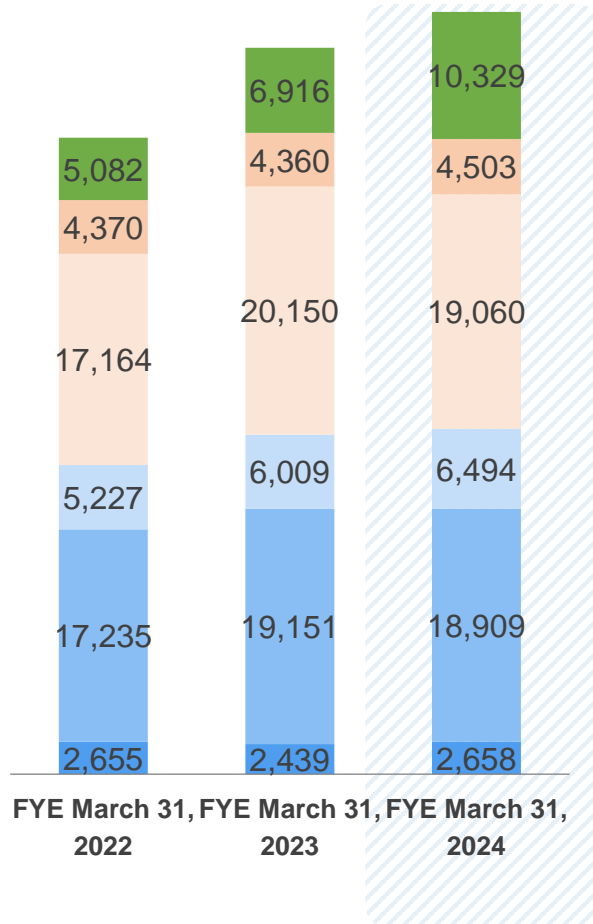
1 Summary of Financial Results for FYE March 31, 2024	P 6
2 Results by Segment for FYE March 31, 2024	P 14
3 Forecast for FYE March 31, 2025	P 20
4 Shareholder Returns	P 25
5 Appendix (reference information)	P 27

(Reference) Performance Trends by Segment (Annual and Quarterly)

(Unit: million yen)

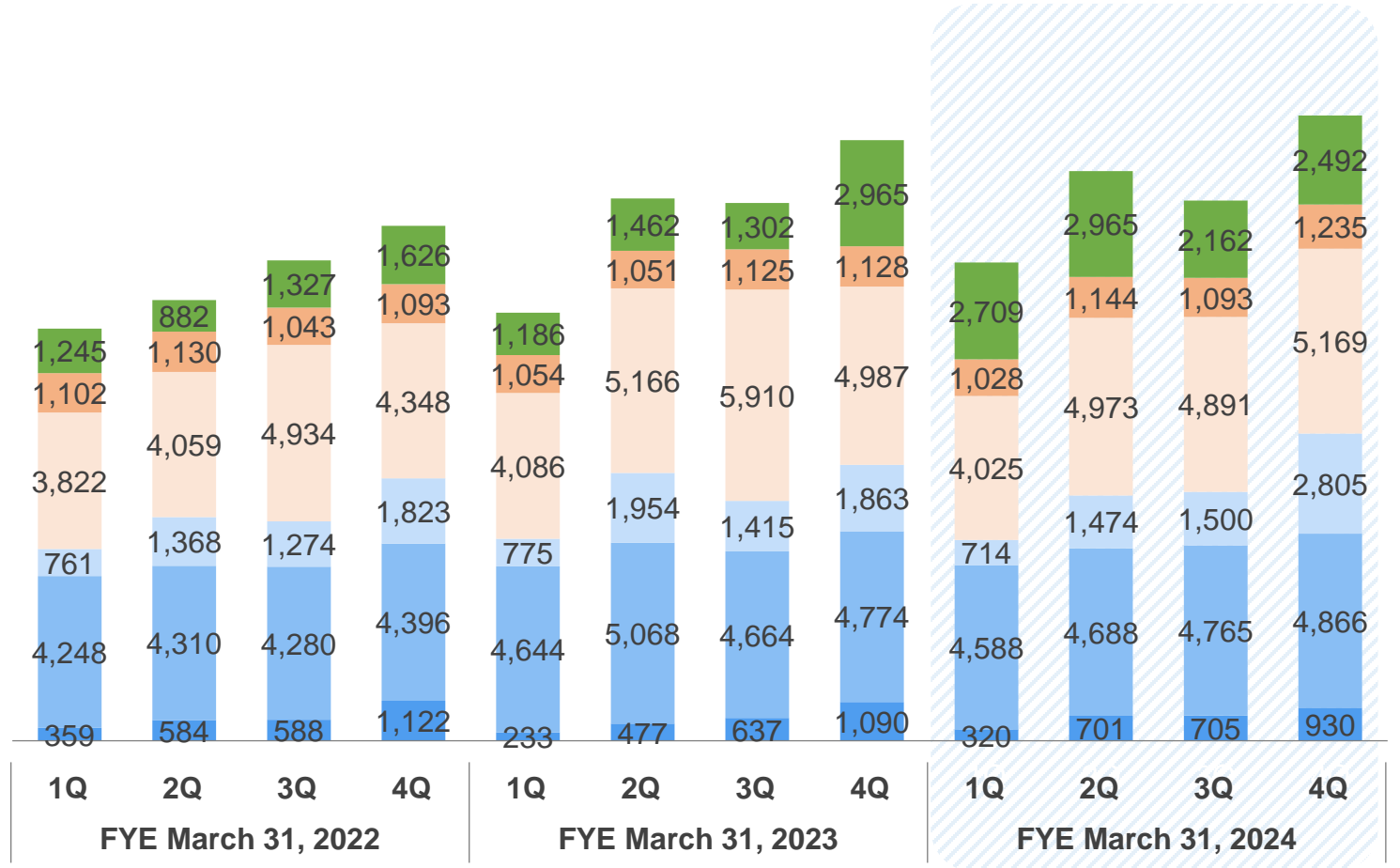
Net sales trends (annual)

- Measuring equipment
- Healthcare equipment
- Weighing equipment
- Medical equipment
- DSP equipment
- Semiconductor-related



Net sales trends (quarterly)

- Measuring equipment
- Healthcare equipment
- Weighing equipment
- Medical equipment
- DSP equipment
- Semiconductor-related



(Reference) Performance by Business Segment

(Unit: million yen)

	FYE March 31, 2023	FYE March 31, 2024	YoY
Net sales	59,028	61,955	+5.0%
Semiconductor-related	6,916	10,329	+49.3%
Medical and healthcare equipment	24,511	23,563	-3.9%
Measuring and weighing equipment	27,600	28,062	+1.7%
Cost of sales	32,725	34,335	+4.9%
Semiconductor-related	2,976	4,149	+39.4%
Medical and healthcare equipment	13,460	13,034	-3.2%
Measuring and weighing equipment	15,893	16,827	+5.9%
SG&A expenses	18,827	19,664	+4.4%
Semiconductor-related	1,600	2,394	+49.6%
Medical and healthcare equipment	6,375	6,279	-1.5%
Measuring and weighing equipment	9,167	9,472	+3.3%
Operating profit	7,475	7,955	+6.4%
Semiconductor-related*	2,339	3,785	+61.8%
Medical and healthcare equipment*	4,675	4,249	-9.1%
Measuring and weighing equipment*	2,539	1,762	-30.6%

We have updated our sustainability initiatives. Please take a look.

The A&D HOLON Group contributes to resolving social issues with business activities in the fields of “measuring and weighing,” “medical and healthcare” and “semiconductors” using cutting-edge diverse measuring technology. The Group also actively promotes initiatives to preserve the environment and reduce environmental impact. These activities aim to achieve a rich sustainable society and improve corporate value over the medium to long term.

Main updated content

- P4** Materiality (priority issues) setting
- P6** Disclosure Based on TCFD (Task Force on Climate-related Financial Disclosures) Recommendations
- P12** Environmental Activities Data (Indicators & Targets)
With the aim of achieving carbon neutrality by 2050, we have set a new target for CO₂ reductions by FY2032 as a quantitative target.
- P13** Approach to Environmental Contribution
Direct and indirect contributions of the A&D Holon Group’s products
- P16 and 17** Introducing products that contribute to resolving environmental issues, etc.



We aim to be a corporate group that contributes to the development of science and technology, the advancement of industry, and the health of people's lives by providing society with "measurement" technologies we have cultivated over many years. Doing so will contribute to the creation of a prosperous and sustainable society on a global scale.



Technological innovation with "measurement" at its core

AND

HOLON

A&D HOLON Holdings



A&D HOLON Holdings
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