



**Long-term Vision 2034**  
**Medium-term Business Plan (FY2025 to FY2027)**

**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.

# Contents

- 01** Review of Previous Medium-term Business Plan  
(FY2022 to FY2024)
- 02** Long-term Vision 2034
- 03** Medium-term Business Plan  
(FY2025 to FY2027)

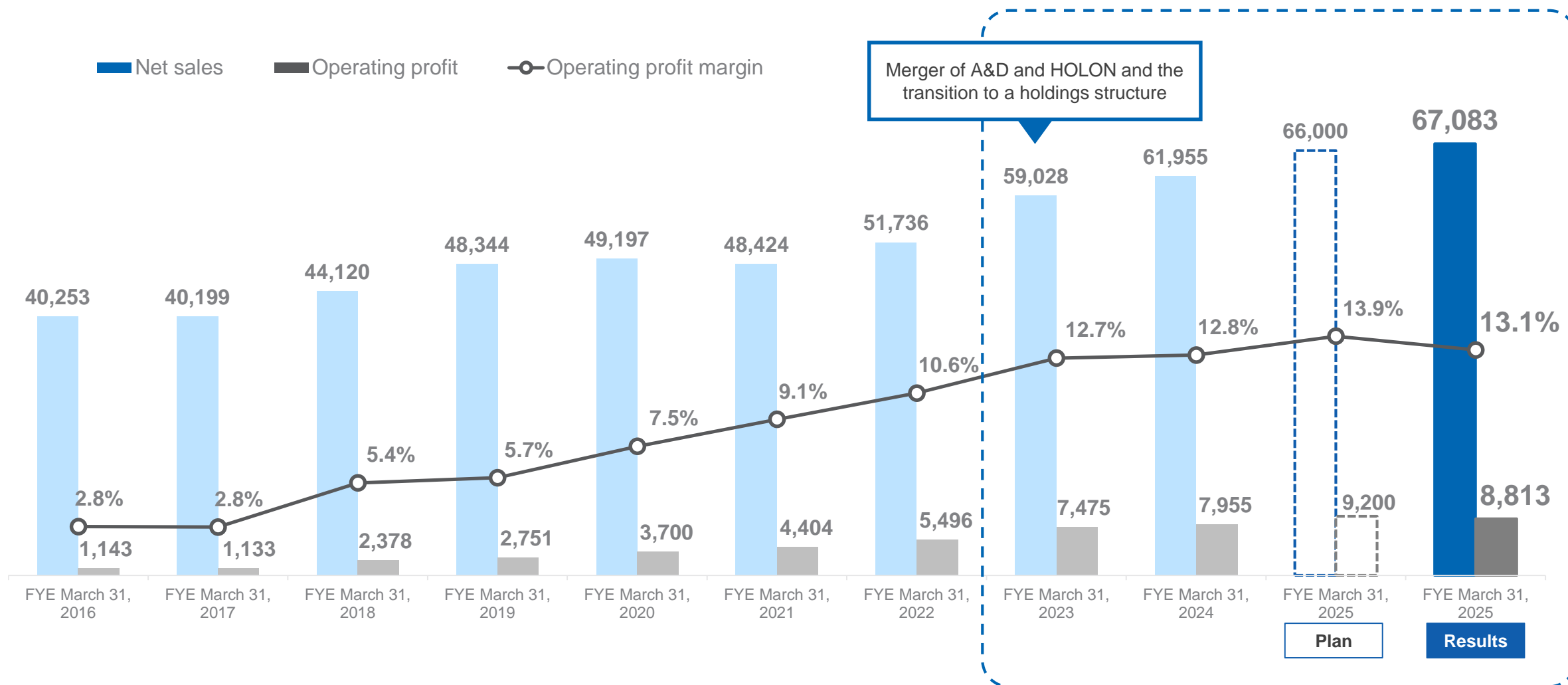
# Contents

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- 03 Medium-term Business Plan  
(FY2025 to FY2027)

## Performance Trends

Net sales for the final year of the previous Medium-term Business Plan (FYE March 31, 2025) reached 101.6%, but operating profit fell short of the plan at 95.8%

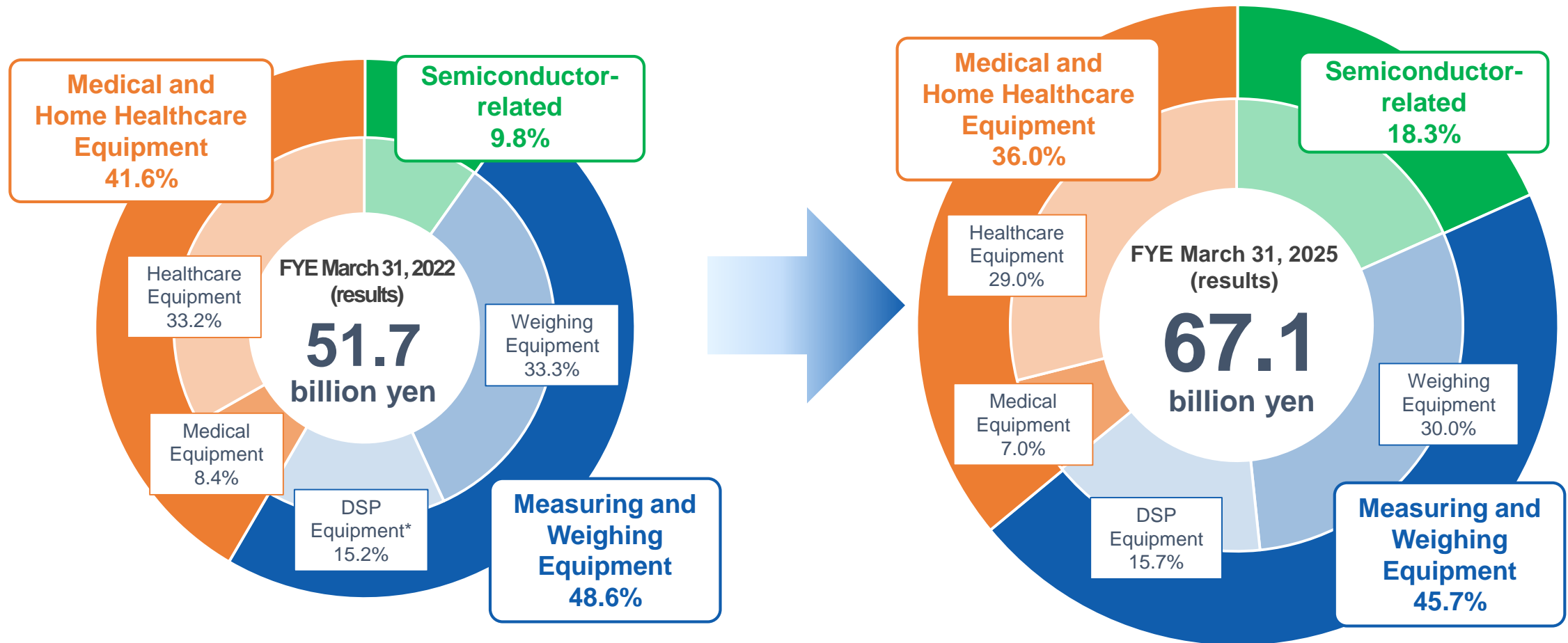
### Performance trends over the last 10 years (unit: million yen)



## Business Portfolio

Positioned as a driver of growth in the previous Medium-term Business Plan, the Semiconductor-related Business grew significantly, which helped achieve its target for net sales

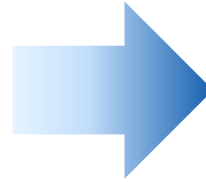
### Net sales by segment



\* Percentage shows the sum of DSP Equipment and Measuring Equipment, as per the segment structure for FYE March 31, 2025.

### 1 Strengthen R&D through technology sharing

- Dispatched 9 engineers from A&D to HOLON.
- Manufactured important CD-SEM units at A&D.

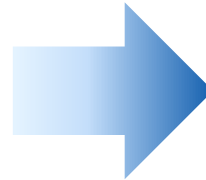


Joint development in progress on a number of projects

Improvement of QCD through in-house production of important units

### 2 Utilize the purchasing power of the Group

- Diversified component procurement routes.
- Developed new suppliers in Japan and overseas.

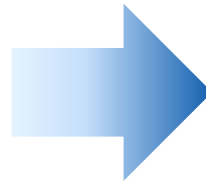


Response to risks related to component procurement

Establishment of a stable production system

### 3 Increase the number of business locations

- Established HOLON Taiwan Branch. (October 2023)
- Began construction of a new factory for semiconductor-related products. (Scheduled completion in December 2025)



Reinforcement of business and service systems in Taiwan

Promotion of new product development and expansion of production capacity

# Review of Key Strategies

Business	Key measures	Results	Challenges
Semiconductor or-related	<ul style="list-style-type: none"> <li>Improving product development capabilities through enhanced semiconductor technology</li> <li>Introducing next-generation machines to the market</li> </ul>	Promoted the development of multiple new products through technical collaboration between A&D and HOLON.	Releasing next-generation machines that prioritize customer needs
	<ul style="list-style-type: none"> <li>Developing a market strategy utilizing the network of global offices</li> </ul>	Strengthened component procurement through the purchasing power of the Group. Expanded business locations (established Taiwan branch and began new factory construction).	Further strengthening global sales activities
Measuring and Weighing Equipment	<ul style="list-style-type: none"> <li>Strengthening products for secondary battery production lines</li> </ul>	Released AD-4212F, a new measurement sensor compatible with larger battery capacity.	Taking measures in light of slowing growth in EV-related markets
	<ul style="list-style-type: none"> <li>Strengthening weighing equipment sales in North America</li> </ul>	Boosted sales through e-commerce distribution.	Reformulating sales strategies, including rethinking distribution routes and sales channels
	<ul style="list-style-type: none"> <li>Enhancing support for connected/automation</li> </ul>	Secured orders to supply the Company's proprietary platform.	Expanding into fields beyond the automobile industry
	<ul style="list-style-type: none"> <li>Enhancing support for electrification</li> </ul>	Boosted sales of EV-Sim HELIOS Edition, a simulator for electric vehicle development	Launching products globally
Medical and Home Healthcare Equipment	<ul style="list-style-type: none"> <li>Expanding product portfolio to increase market share</li> </ul>	Released a new cellular blood pressure monitor (in North America) and hose-less blood pressure monitor (in Japan).	Building presence in new areas (Korea, China, Europe, South America)
	<ul style="list-style-type: none"> <li>Establishing a regional telemedicine system through industry-academia collaboration</li> </ul>	Accumulated a large amount of data from tablet apps and home blood pressure readings in Minamisanriku Town using the Company's products.	Maintaining system follow-up and helping develop new products through this approach
	<ul style="list-style-type: none"> <li>Providing data collection systems to companies and educational institutions</li> </ul>	Increased sales of fully automatic blood pressure monitors supporting data linkage and height and weight scales (incl. body composition scales).	Moving beyond medical institutions to capture more medical examination demand from companies promoting health management

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# The Group's changing environment and background of long-term vision formulation

## Changes in the Group's environment 10 years from now

 <b>Society</b>	Diversifying values and structural changes in the workforce Borderless society and accelerating commoditization
 <b>Technology</b>	Digital innovation (AI, IoT, 6G, robotics, autonomous driving, telemedicine, and virtual space)
 <b>Economy</b>	Shift to more collaborative approaches (based on M&A and alliances) Shrinking demand in Japan and expanding demand overseas
 <b>Environment</b>	Carbon neutrality and decarbonization Shift to next-generation energy
 <b>Politics</b>	Changing power balances among countries and geopolitical risks

X

## Background of long-term vision formulation

1

After the merger of A&D and HOLON, the Group aims to expand its business performance with the Semiconductor-related Business as a growth driver. The Group must set a growth area that captures markets as a whole.

2

The Group must have direction and decision-making guidelines amid an urgent need for technical knowledge transfer and the development of global management personnel.

3

In working toward sustainable growth, the Group must use backcasting to help make decisions, considering where the Group wants to be 10 years from now, in addition to addressing immediate challenges.



## Long-term Vision Concept for FY2025 to FY2034

# Sensing the Future

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sensing the Future

Mastering Measurement, Supporting the World

**While maintaining the same commitment to measurement the Group has always had, its theme for the next 10 years will involve giving market perspectives the highest priority**

### Mastering Measurement

#### **The measurement technologies**

**the Group has carefully developed since its founding**

- **Dedication to authenticity, promoting innovation**
- **Pursuing technologies that bring competitive advantages and value to industry and society**

### Supporting the World

**Operating on  
the global market  
since the Group's foundation**

- **Incorporating global customer feedback to continue providing reliable data and solutions**
- **Supporting global development by helping customers solve their challenges**

Long-term Vision 2034

# Sensing the Future

Mastering Measurement, Supporting the World

## 5 Fundamental Strategies to achieve the vision of “Sensing the Future”

1

### Transforming business portfolio to address social issues

- Redesigning business domains to reflect social issues and markets
- Creating next-generation segments to be new engines of growth

2

### Shifting to a business model with a market-in approach for providing value to customers

- Enhancing the marketing capabilities of business domains, bringing users solutions to their challenges
- Building a marketing platform and developing an AI-based approach to business

3

### Designing new development and production capabilities for “Mastering Measurement, Supporting the World”

- Strengthening R&D functionality, combining more advanced research of core technologies with market-in and product-out approaches
- Developing a global supply chain that builds on the strengths as a manufacturer while implementing digital transformation in production

4

### Advancing portfolio management

- Promote continuous growth investment which is the source of higher corporate value.
- Contributing to sustainable corporate value through portfolio management that supports growth investment

5

### Promoting sustainability management

- Transitioning to a sustainable company through a balance of social and economic value
- Managing human capital through the development of a strategic personnel system and organizational design

### 3-Step Growth Model and Management Objectives

**Redefine business value and  
restructure foundations**

**STEP 1**

**FY2025 to FY2027**

**A period of reviewing business  
and strengthening management  
foundation**

FY2027  
Net sales  
**80 billion yen**  
Operating profit  
**11.7 billion yen**

**Grow to become a 100  
billion yen company**

**STEP 2**

**FY2028 to FY2030**

**Promoting business strategy to  
expand market share  
Complete transition to a  
business unit system**

**Start new businesses and  
make further progress**

**STEP 3**

**FY2031 to FY2034**

**Become a sustainable  
company that continues to  
create and establish next-  
generation segments**

FY2034  
Net sales

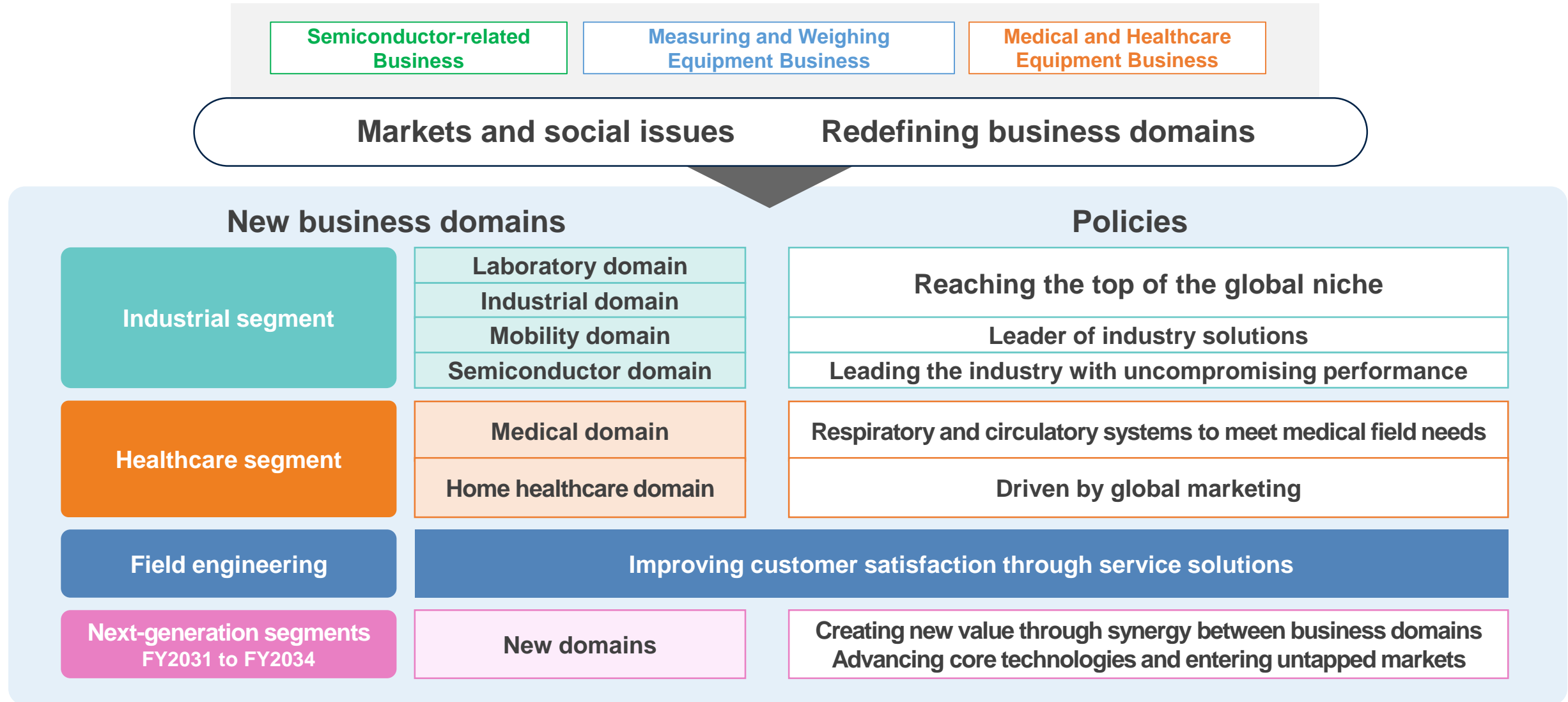
**150 billion yen**

Operating profit

**30 billion yen**

## Fundamental Strategy 1: Transforming Business Portfolio to Address Social Issues

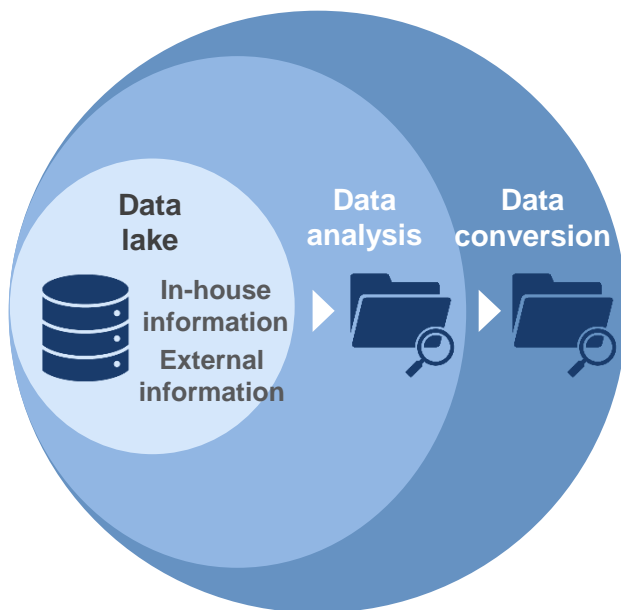
Shifting from the current segment structure to a new business structure based on a redefinition of business domains that reflects markets and social issues



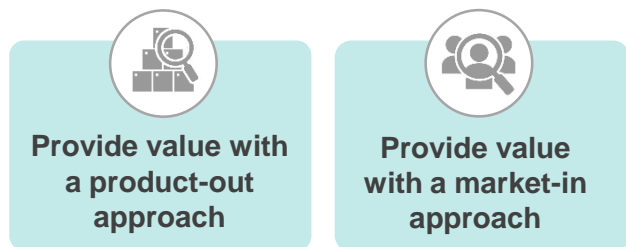
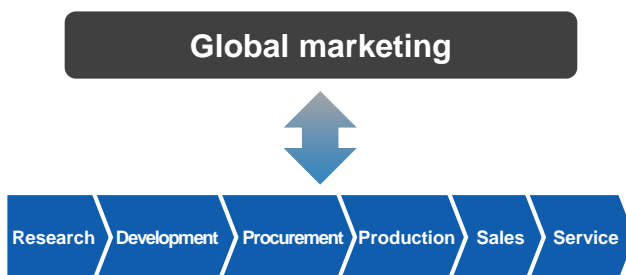
## Upgrading development and production capabilities with a marketing model based on data integration

### 1 Build a data platform for “Mastering Measurement, Supporting the World”

#### Data platform (API integration and AI implementation)

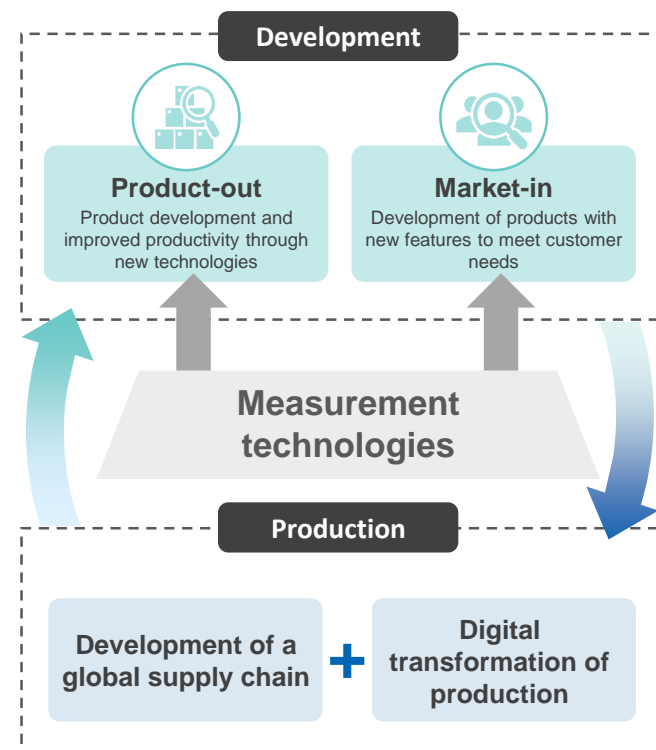


### 2 Establish a hybrid marketing model with market-in and product-out approaches

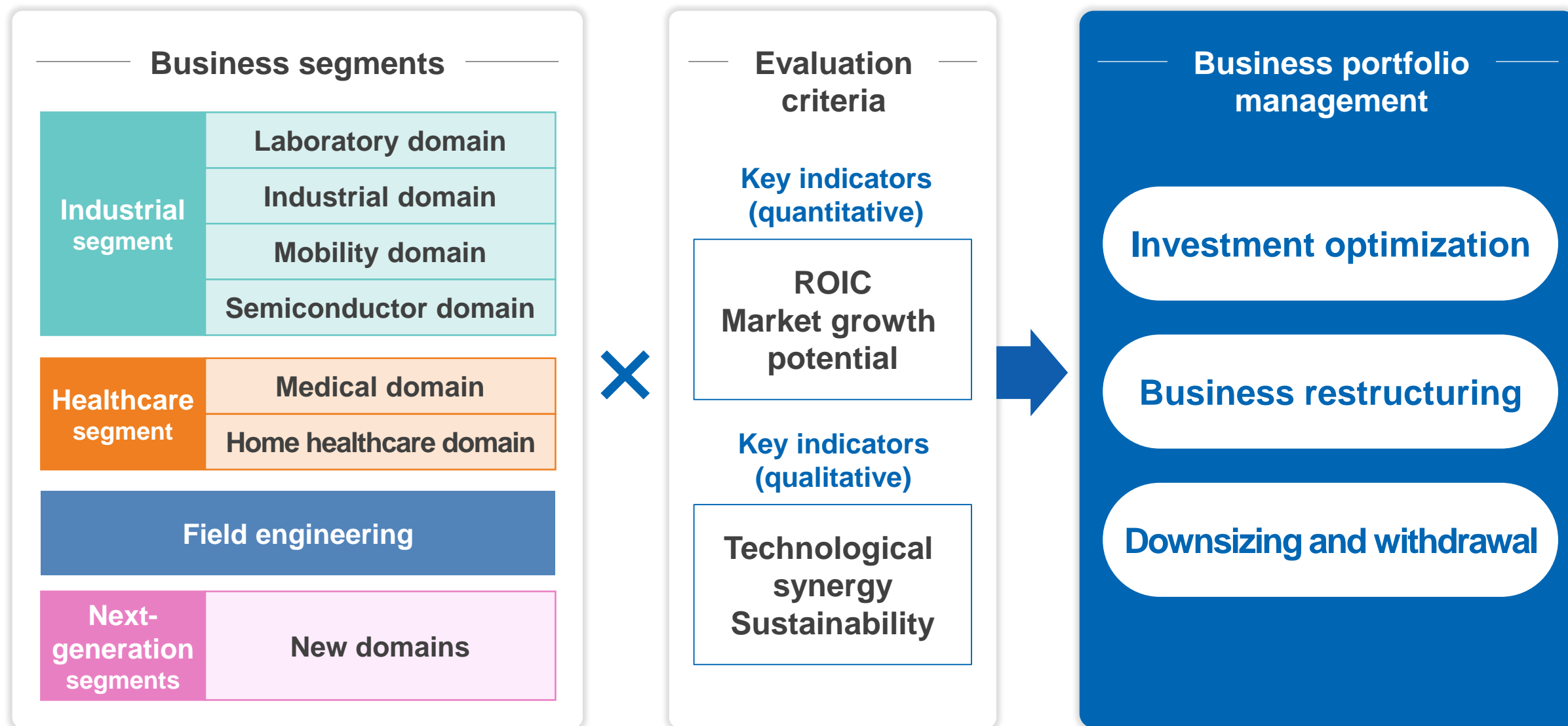


#### Adopting a hybrid marketing model

### 3 Upgrade development and production capabilities based on marketing model



### Subdividing business segments for more flexible portfolio management





### Contributing to the advancement of the environment, society, and stakeholder interests through initiatives related to materiality issues, toward realizing the Sustainability Policy

#### Materiality issues

1

Promoting management that both addresses social issues and drives economic growth



2

Becoming a company dedicated to sustainability and an abundant future through stronger cooperation with local communities and stakeholders



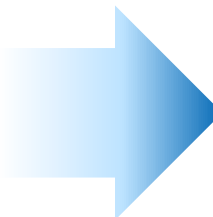
3

Strengthening human capital management, working towards diversity and sustainability



4

Building a strong corporate foundation that maximizes customer and corporate value



#### Policies

- Aiming to be a company that balances both social and economic values, the Group will make addressing social issues like reducing the environmental impact a source of growth and development.
- Aiming to be a company that is dedicated to sustainability, the Group will contribute to the future of stakeholders, communities, the nation and the planet, creating new value through the power of collaboration.
- Aiming to be a company that highly engaged employees want to work for, the Group will boost human capital investment, promoting the personal growth of our diverse employees.
- Aiming to be a global company that customers choose and society approves of, the Group will incorporate IT into our management systems, optimizing and maximizing customer value while further enhancing a highly transparent approach to corporate management.

# Contents

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### Semiconductor-related Business

Technological innovation leading to further market expansion

- The business will grow in the medium to long term with the expansion of application uses.
- Requirements for higher performance and less power consumption will result in technological innovation in terms of miniaturization, structural advancement, and increased complexity.
- Supply chain development will accelerate in the areas the Group is active (especially Asia).

### Measuring and Weighing Equipment Business

Advancements related to AI and IoT leading to greater demand for precision technology

- Investment activities related to complying with environmental regulations will gain momentum globally.
- In order to deal with rising labor costs due to factors like inflation, there will be an increase in investment in development and production of operator-free systems, automation, and remote operations.
- Strengthened regulations will lead to greater importance placed on quality control and certification acquisition.

### Medical and Healthcare Equipment Business

Growing demand for cutting-edge technologies in preventive medicine and the digital transformation of healthcare

- Investment in digital healthcare and health tech will grow.
- Personalized medicine based on individual health data will be the focus.
- Progress will be made in diagnostic support and optimizing treatment plans through AI and big data analysis.

Long-term Vision 2034

# Sensing the Future

Mastering Measurement, Supporting the World

Medium-term  
Business Plan Theme  
(FY2025 to FY2027)

## Redefining Business Value and Rebuilding Foundations

### Redefining business value

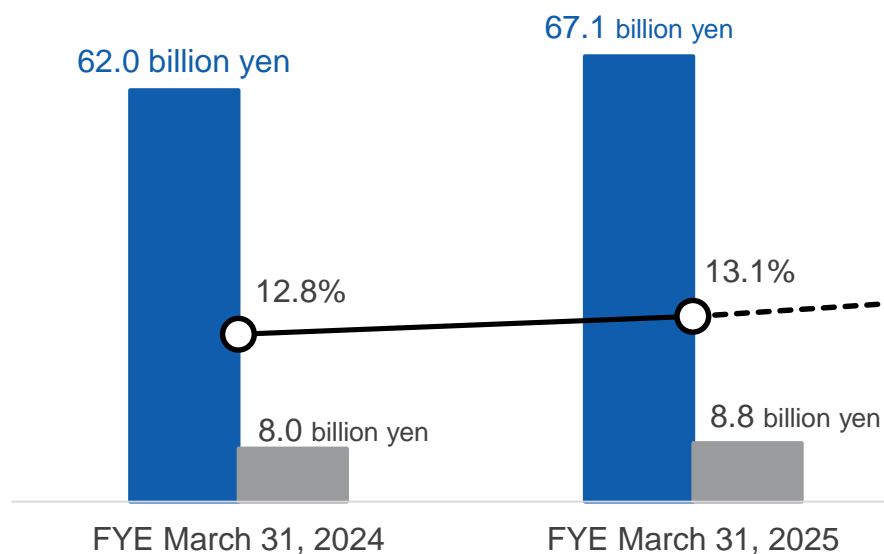
- Build global marketing capabilities.
- Boost global expansion and achieve growth in line with business portfolio.
- Strengthen R&D and production capabilities to support business growth.

### Rebuilding foundations

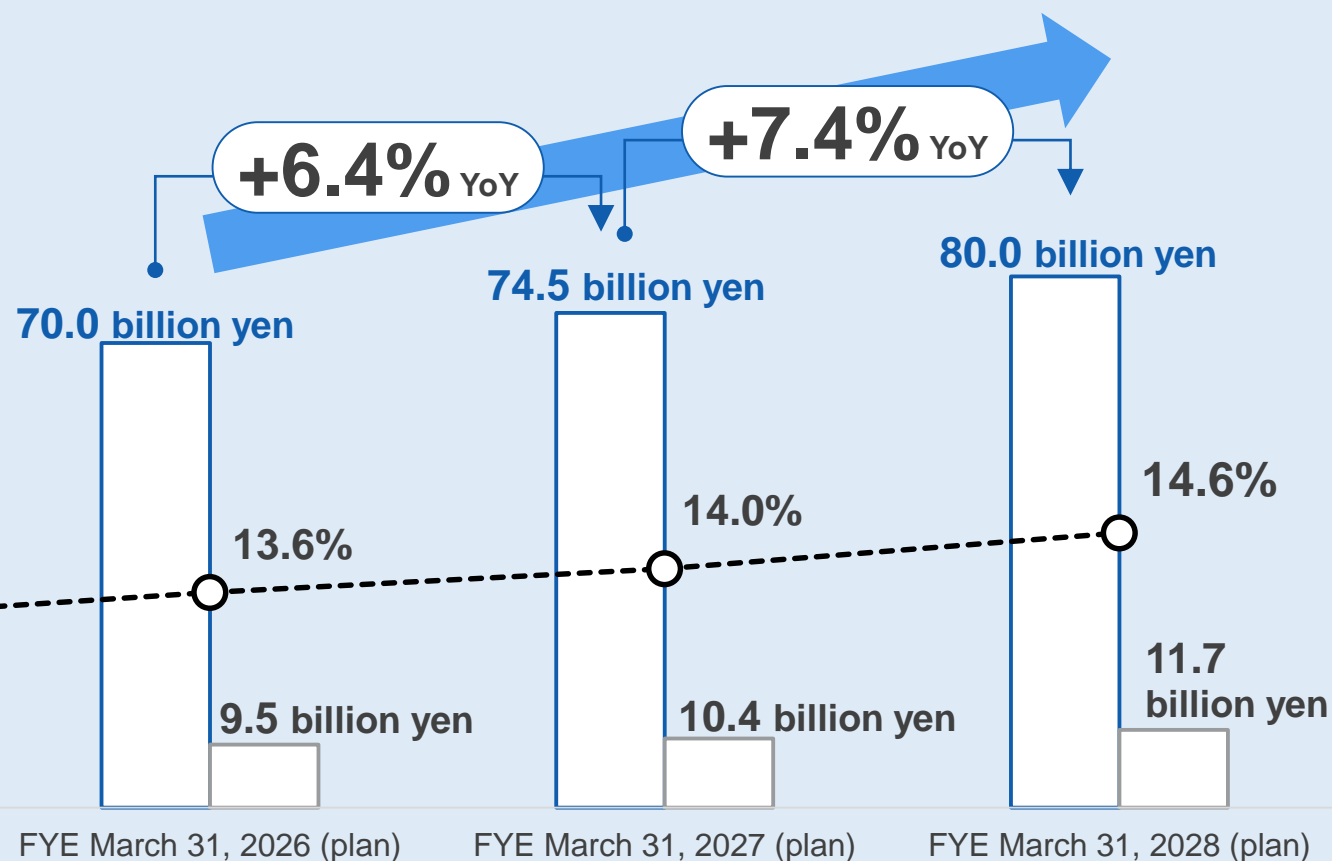
- Conduct business portfolio management.
- Implement sustainability management that adapts to environmental changes.

**FY2027 (FYE March 31, 2028) plan: Net sales of 80 billion yen; Operating profit of 11.7 billion yen**

■ Net sales ■ Operating profit ○ Operating profit margin



## Medium-term Business Plan (FY2025 to FY2027)



## Management Indicators by Business

		Medium-term Business Plan (FY2025 to FY2027)							
		FYE March 31, 2024	FYE March 31, 2025	FYE March 31, 2026		FYE March 31, 2027		FYE March 31, 2028	
(Unit: billion yen)		Results	Results	Plan	YoY	Plan	YoY	Plan	YoY
Semiconductor-related Business	Net sales	10.3	12.3	10.7	-13.0%	12.0	+12.1%	14.0	+16.7%
	Operating profit*	3.8	4.1	3.5	-16.4%	3.8	+10.1%	4.7	+23.7%
	Operating profit margin	36.7%	33.6%	32.2%	—	31.7%	—	33.6%	—
Measuring and Weighing Equipment Business	Net sales	28.1	30.7	33.3	+8.6%	35.3	+6.0%	37.3	+5.7%
	Operating profit*	1.8	2.7	3.5	+29.4%	3.9	+10.0%	4.2	+9.1%
	Operating profit margin	6.3%	8.8%	10.5%	—	10.9%	—	11.3%	—
Medical and Healthcare Equipment Business	Net sales	23.6	24.1	26.0	+7.8%	27.2	+4.6%	28.7	+5.5%
	Operating profit*	4.2	4.1	4.4	+7.1%	4.8	+8.0%	5.0	+5.3%
	Operating profit margin	18.0%	17.0%	16.9%	—	17.5%	—	17.4%	—

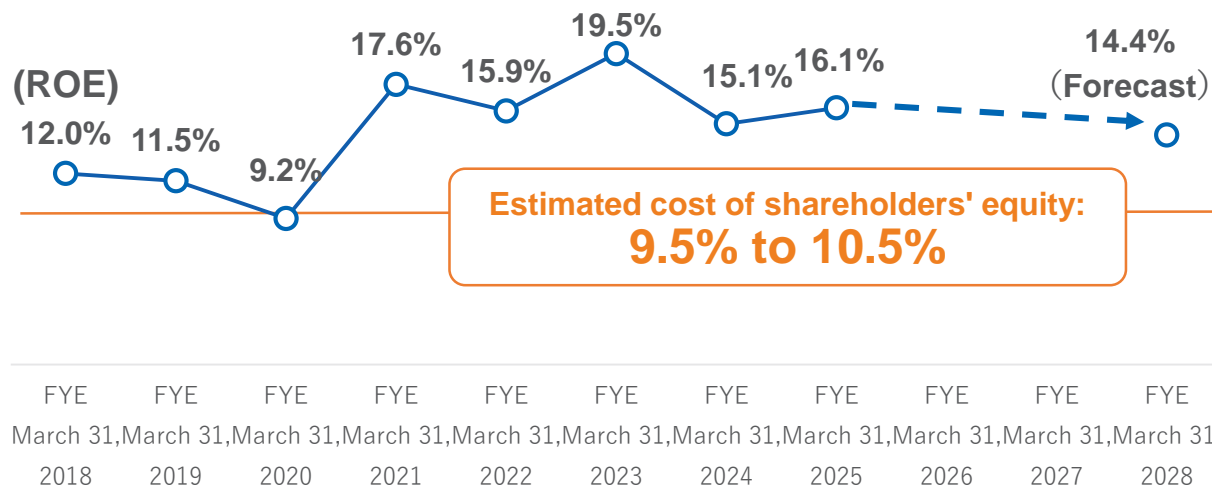
\*: Operating profit by business segment does not include company-wide expenses and adjustments for trade between segments.

## Measures to Promote Management with a Focus on Capital Cost and Stock Price

### Aiming for greater equity spread through resource allocation reflecting the cost of shareholders' equity and proactive investor dialogue

#### ROE and cost of shareholders' equity

Maintain ROE that exceeds the cost of shareholders' equity



#### Estimated cost of shareholders' equity

Cost of shareholders' equity  
(expected rate of return)

$$= \text{① Risk-free rate} + \text{② } \beta \times \text{③ Risk premium}$$

① Risk-free rate	Rate referenced to 10-year government bond yields
② $\beta$ value	Comparison of the company's stock price and the overall stock market (TOPIX)
③ Risk premium	6.0% to 7.0%

#### Enhancement of IR activities

Reduce cost of shareholders' equity through proactive dialogue with capital market participants and information disclosure

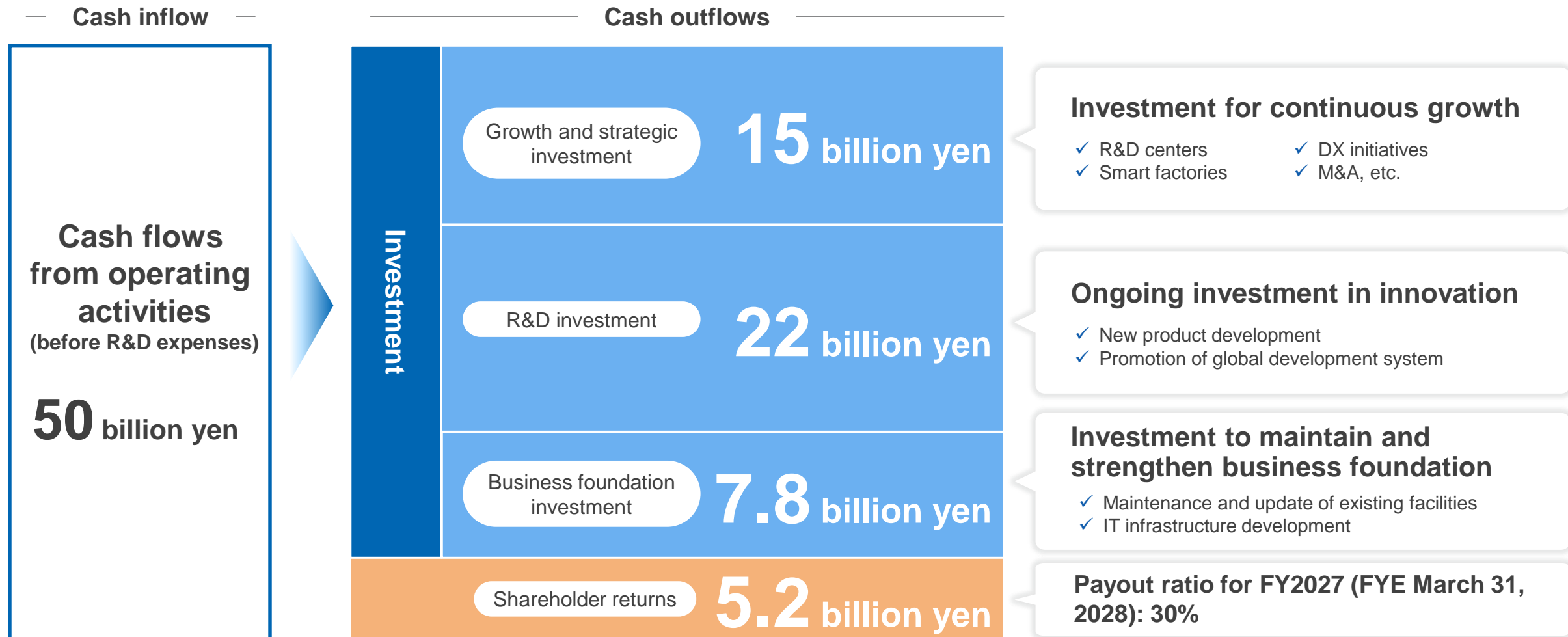
1. Enhance shareholder/investor meetings.
2. Expand range of information disclosed based on feedback from shareholders and investors.
3. Conduct facility tours.  
(New HOLON Factory, A&D Development & Technology Center)

Individual meetings with investors (FYE March 31, 2025)

Number of meetings	Investor overview	Responder (varies by case)
107	Institutional investors in Japan and overseas with a wide range of investment approaches	Representative Director and President, directors in charge of IR, other employees in charge of IR

# Making growth/strategic investments to drive sustainable growth and providing shareholder returns

Cumulative for  
FY2025 to FY2027

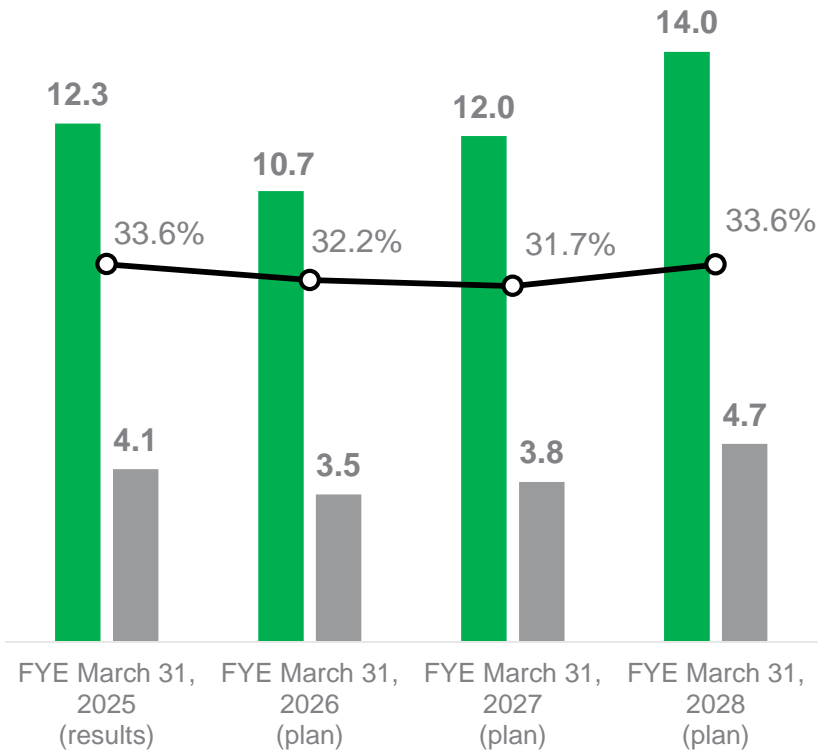




## Toward the peak of high industry performance with analog technology

### 3-year forecast plan (Unit: billion yen)

■ Net sales ■ Operating profit ○ Operating profit margin



\*: Semiconductor-related business is in Japan only.

\*: Operating profit by business segment does not include company-wide expenses and adjustments for trade between segments.

#### 1 Expand global market share

- Improve presence in target markets (Asia).
- Launch power sources and electron guns globally.

#### 2 Promote new product development

- Release next-generation CD-SEM.
- Create innovative products using electron beam technology.
- Use AD/DA conversion technologies to develop high-value-added products.

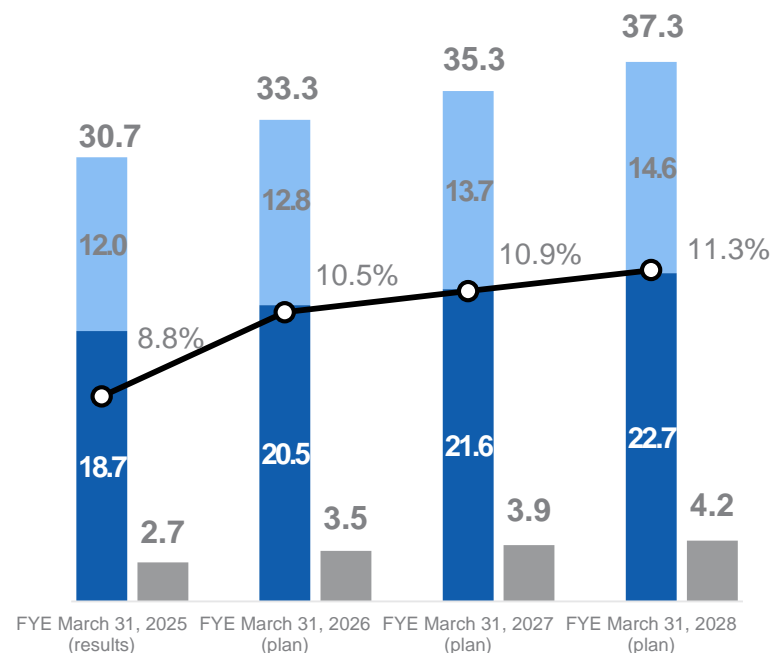
#### 3 Strengthen Group's advanced technologies

- Integrate A&D and HOLON's core technologies.
- Improve processing capacity of technologies like image analysis using AI.

## Targeting and entering strategic markets to boost profitability

### 3-year forecast plan (Unit: billion yen)

■ Net sales (Japan)      ■ Net sales (overseas)  
■ Operating profit      ○ Operating profit margin



#### 1 Expand global market share

- Strengthen sales in key regions (North America and China).
- Enhance global engineering capabilities.

#### 2 Promote new product development

- Develop new products for the laboratory market (analysis scales, etc.).
- Develop new products for the factory automation market (measurement modules, etc.).
- Develop tire testing machines for new regulations.

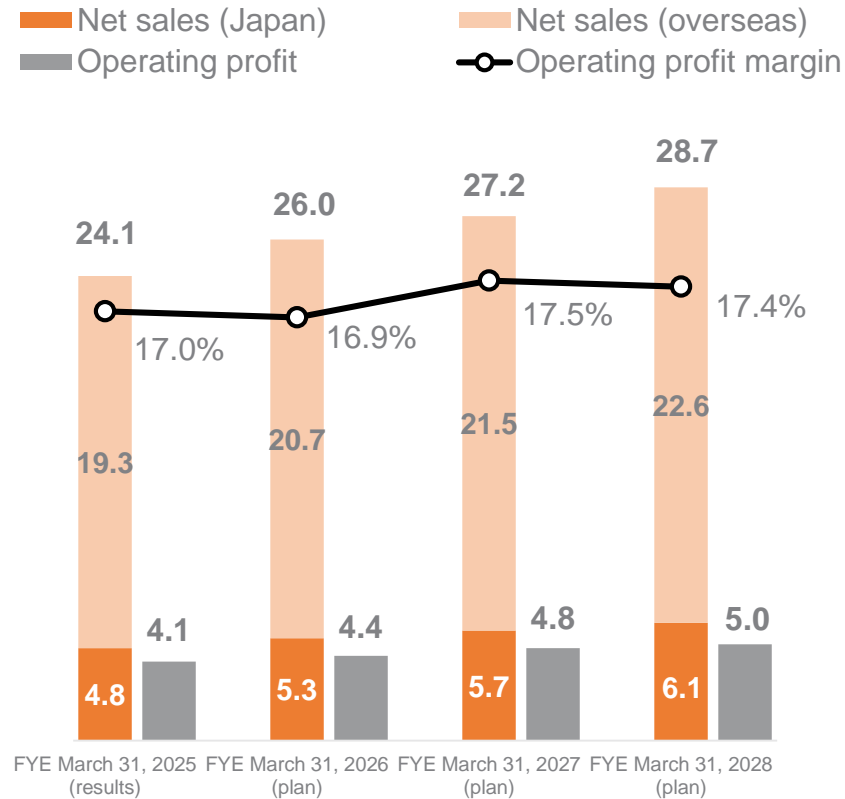
#### 3 Take energy transition measures

- Develop thermal management systems.
- Expand electric vehicle engineering services.

\*: Operating profit by business segment does not include company-wide expenses and adjustments for trade between segments.

## Bringing cutting edge medical care to the global market

### 3-year forecast plan (Unit: billion yen)



\*: Operating profit by business segment does not include company-wide expenses and adjustments for trade between segments.

#### 1 Expand global market share

- Expand coverage of home-use blood pressure monitors.
- Promote products for medical facilities in countries the Group do not yet have a presence.

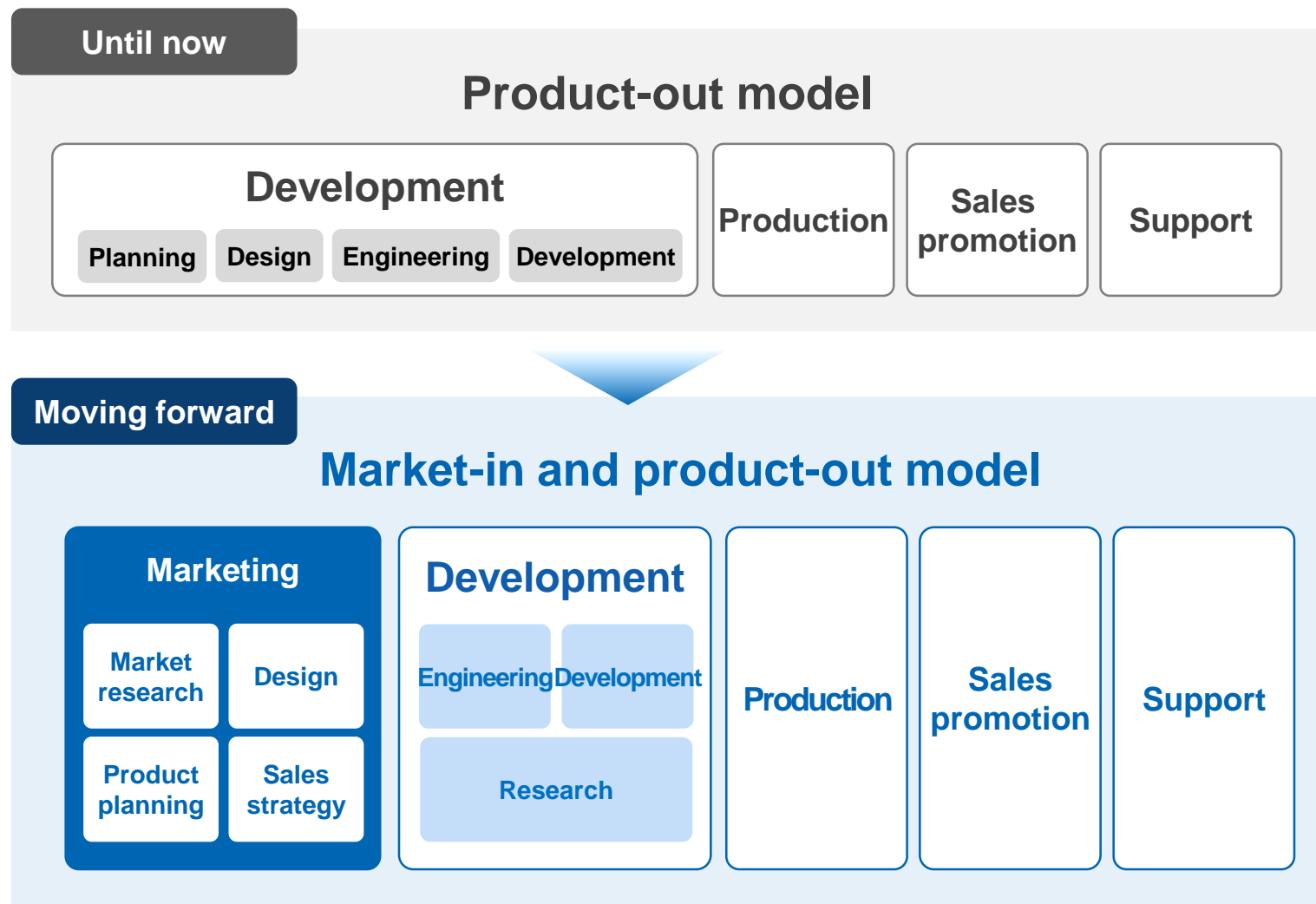
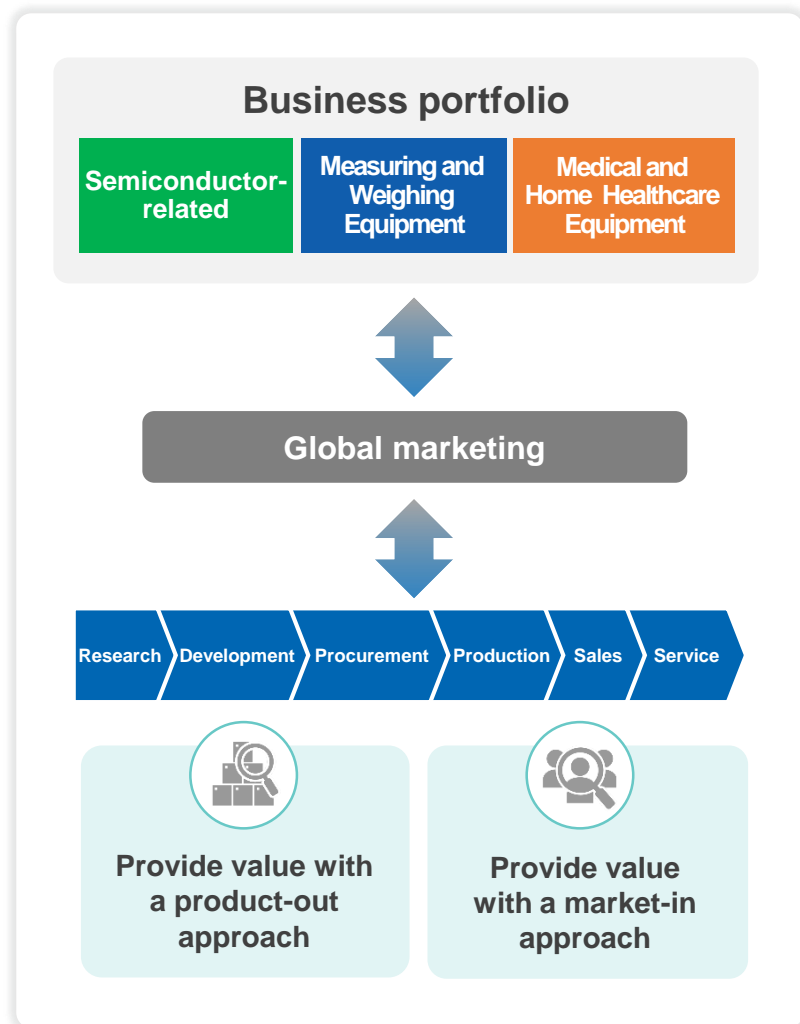
#### 2 Promote new product development

- Expand product lineup with a view to offer digital healthcare solutions globally.
- Develop home-use upper arm blood pressure monitors with sleep measurement capabilities, an industry first.

#### 3 Strengthen business foundation and approach to advanced technology

- Promote innovative product development through industry-academia collaboration.
- Strengthen the product value chain.

# Shifting to a hybrid model with market-in and product-out approaches focusing on regional markets around the world



# Strengthening market competitiveness by enhancing development and optimizing production capabilities



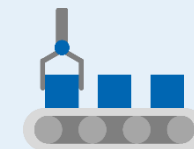
## Development

### 1 Enhancing development capabilities

- Improve new product planning process.
- Make development global.

### 2 Building R&D capabilities that incorporate a market-in approach

- Establish core technologies and explore technological seeds.
- Boost product planning capabilities.



## Production

### 1 Developing the global supply chain

- Optimize inventory and reduce stock of raw materials based on balance of supply and demand.
- Optimally locate factories in Japan and overseas.

### 2 Strengthening the product value chain

- Promote automation of production lines and infrastructure.
- Incorporate digital technology into production (using AI for demand forecasting and production planning systems)

### Strengthening the business foundation with both protective and proactive DX, securing a competitive advantage

#### Protective DX

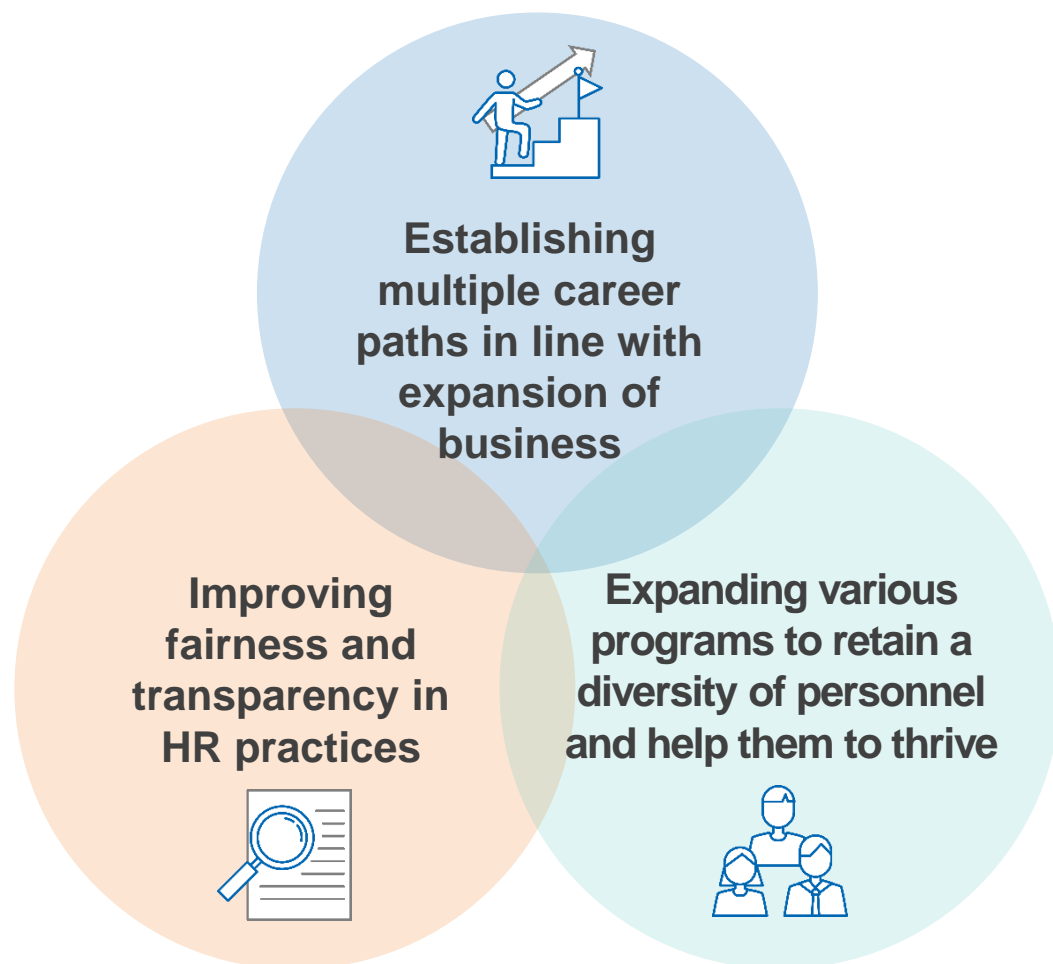
- 1 Introducing various systems to strengthen management foundation
- 2 Enhancing security system to reduce cyber risks
- 3 Building a data platform for collecting market information

#### Proactive DX

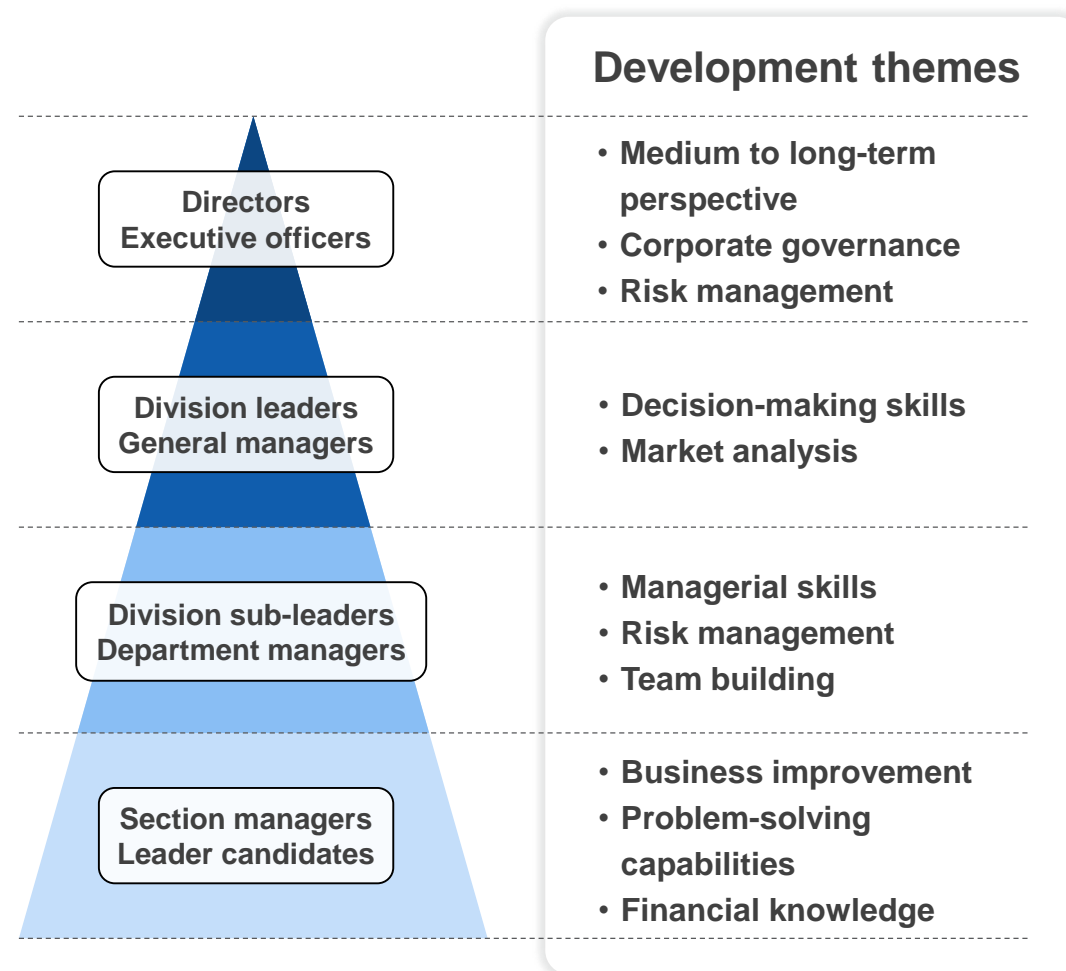
- 1 Improving digital marketing
- 2 Introducing systems to strengthen the supply chain
- 3 Developing smart factories using AI and IoT

## Boosting corporate value through developing highly-skilled personnel

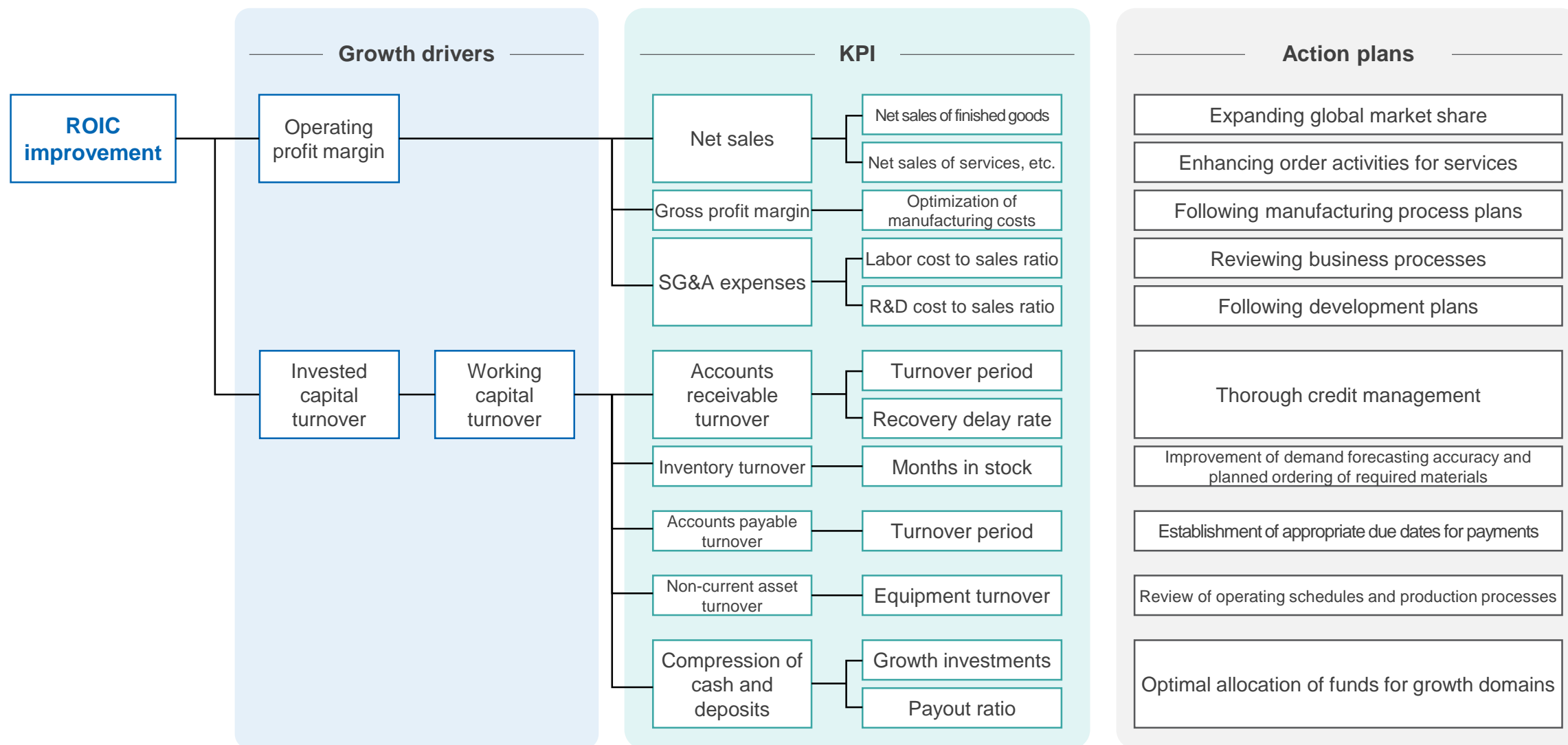
### Overview of personnel program reform



### Succession plan (HR development program)



## Introducing operations that link the ROIC tree with on-site action plans





The Company will celebrate its 50th anniversary in May 2027. I would like to express my sincere gratitude for your patronage and ongoing support. While fulfilling our mission as a manufacturing company, over the past half century we have been striving every day to put quality and reliability first. Our many customers in the global market have helped us grow into a company that is trusted around the world.

Moving forward we will continue to pursue technological innovation, improve quality, and provide products and services that meet the expectations of our customers. We value our customers' feedback. As we strive to progress even further, I ask for your continued support.



Representative Director and  
President

Yasunobu Morishima



A&D HOLON Holdings  
Click [here](#) for IR website.