# Consolidated Financial Statements for the Fiscal Year Ended March 31, 2012 (Based on J-GAAP)

May 15, 2012

Company Name : Nippon Manufacturing Service Corporation.
Listing : JASDAQ (Osaka Securities Exchange)
Stock Code : 2162
URL : http://www.n-ms.co.jp/
Representative : Fumiaki Ono, President and CEO
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Tel : +81-3-5333-1711
Scheduled date of Annual General Meeting of Shareholders: June 22, 2012
Scheduled Commencement Date of Dividend Payout : June 25, 2012
Scheduled date of filing Annual Securities Report : June 22, 2012
Financial Results Presentation Materials: Yes
Explanatory Meeting on Financial Results for FY ended March 31, 2012 : Yes (For Institutional Investors and Analysts)

(All amounts are rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2012 (April 1, 2011 – March 31, 2012)

(1) Consolidated results of operations (full-year) (Percentages represent year-over-year changes)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| FY 2012 | 31,832 | 54.0 | 251 | (58.3) | 266 | (54.4) | 1,356 | 49.4 |
| FY 2011 | 20,675 | — | 602 | — | 584 | — | 907 | — |

(Note) Comprehensive income (million yen): FY 2012: 1,154 (32.7%) FY 2011: 870 (—%)

| | Net income per share | Diluted net income per share | Return on equity | Ratio of ordinary income to total assets | Ratio of operating income to net sales |
|---|---|---|---|---|---|
| | yen | yen | % | % | % |
| FY 2012 | 13,552.23 | 12,741.57 | 49.4 | 2.0 | 0.8 |
| FY 2011 | 9,119.08 | 8,599.09 | 42.3 | 7.9 | 2.9 |

(Reference) Equity in earnings of affiliates (million yen): FY2012: — FY2011: —

(Note 1) Consolidated financial statements were first prepared previous consolidated fiscal year. Changes compared with the fiscal year 2010 are therefore not stated.

(Note 2) Return on equity and ratio of ordinary income to total assets for the fiscal year ended March 31, 2011 are calculated using shareholder's equity and total assets at the end of period.

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| | Million yen | Million yen | % | Yen |
| FY 2012 | 18,709 | 5,839 | 17.9 | 32,707.18 |
| FY 2011 | 7,362 | 2,169 | 29.2 | 21,571.54 |

(Reference) Shareholders' equity (million yen): FY 2012: 3,343 FY 2011: 2,147

(3) Consolidated cash flow position

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|---|---|---|---|---|
| | Million yen | Million yen | Million yen | Million yen |
| FY 2012 | 596 | 667 | 949 | 3,873 |
| FY 2011 | 671 | (196) | 349 | 1,712 |

## 2. Dividends

| | Dividends per share | | | | | Total dividends (annual) | Dividend payout ratio (consolidated) | Dividend on equity (consolidated) |
|---|---|---|---|---|---|---|---|---|
| | 1Q-end | Interim | 3Q-end | Yearend | Annual | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| FY 2011 | — | 0.00 | — | 2,000.00 | 2,000.00 | 39 | 4.4 | 1.9 |
| FY 2012 | — | 0.00 | — | 400.00 | 400.00 | 40 | 3.0 | 1.5 |
| FY 2013 (forecasts) | — | 0.00 | — | 300.00 | 300.00 | | 6.5 | |

## 3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2013 (April 1, 2012 – March 31, 2013)

(Percentages represent year-over-year changes)

| | Net sales | | Operating income | | Ordinary income | | Net income | | Net income per share |
|---|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| 1H (six months) | 19,000 | 72.6 | 360 | 141.1 | 415 | 394.1 | 190 | (85.1) | 1,758.36 |
| Full year | 45,000 | 41.4 | 1,000 | 297.5 | 1,050 | 294.3 | 500 | (63.1) | 4,627.27 |

## 4. Others

(1) Changes in significant subsidiaries during the fiscal year under review
(changes in subsidiaries accompanying change in the scope of consolidation): Yes

New: 6 (Company name: TKR Corporation, Tohoku TKR Corporation, TKR MANUFACTURING (MALAYSIA) SDN. BHD., TKR PRECISION (MALAYSIA) SDN. BHD., TKR HONG KONG LIMITED, TKR HUANAN ELECTRONICS (DONG GUAN) CO., LTD.

Excluded: None (Company name: )

(2) Changes in accounting principles, procedures and method of presentation
1) Changes caused by revision of accounting standards: Yes
2) Other changes: None
3) Changes in accounting estimates: None
4) Retroactive restatement: Yes

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

| | | | | |
|---|---|---|---|---|
| 1) Number of shares outstanding (including treasury stock) at end of period | FY 2012 | 108,055 shares | FY 2011 | 108,055 shares |
| 2) Number of treasury stock at end of period | FY 2012 | 5,815 shares | FY 2011 | 8,515 shares |
| 3) Average number of shares outstanding during the period | FY 2012 | 100,074 shares | FY 2011 | 99,536 shares |

(Reference) Non-Consolidated Financial Results

**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2012 (April 1, 2011 – March 31, 2012)**

(1) Non-consolidated results of operations (full-year) (Percentages represent year-over-year changes)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| FY 2012 | 12,902 | 4.2 | 236 | (51.7) | 216 | (54.8) | 87 | (55.9) |
| FY 2011 | 12,378 | 10.3 | 489 | 108.5 | 479 | 108.3 | 199 | (13.3) |

| | Net income per share | Diluted net income per share |
|---|---|---|
| | Yen | Yen |
| FY 2012 | 878.50 | 825.95 |
| FY 2011 | 2,003.13 | 1,888.91 |

(2) Non-consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| | Million yen | Million yen | % | Yen |
| FY 2012 | 6,562 | 1,572 | 23.7 | 15,195.13 |
| FY 2011 | 4,255 | 1,498 | 34.7 | 14,834.13 |

Reference: Shareholders' equity (million yen): FY 2012: 1,553 FY 2011: 1,476

**2. Forecasts for the Fiscal Year Ending March 31, 2013 (April 1, 2012 – March 31, 2013)**

(Percentages represent year-over-year changes)

| | Net sales | | Ordinary income | | Net income | | Net income per share |
|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Yen |
| 1H (six months) | 7,000 | 12.8 | 130 | (1.2) | 70 | 6.1 | 647.82 |
| Full year | 15,000 | 16.3 | 480 | 121.3 | 250 | 184.4 | 2,313.64 |

* Implementation of audit procedures

This summary of financial statements is not subject to audit procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this summary of financial statements, the audit procedures of financial statements pursuant to the FIEA are not completed.

* Cautionary statement with respect to forward-looking statements

The forward-looking statements such as the forecasts for the business performance described in this document are based on the judgments made by the Company in accordance with information currently available that is rational. For this reason, actual results may differ from these forecasts due to a number of factors, including but not limited to the operating environment. For the underlying assumptions and usage of earnings projections refer to "Analysis regarding results of operations" on page 2 of the Attachment to the summary of consolidated financial statement.

(How to obtain Financial Results Presentation Materials)

Explanatory meeting for institutional investors and analysts is scheduled to be held on May 21, 2012. Financial results presentation materials are published on the same day on TDnet.

(Stock split)

On April 1, 2011, the Company instituted a 5-for-1 stock split of common shares. The net income per share and diluted net income per share are calculated assuming that the stock split was carried out the beginning of the previous consolidated fiscal year.

# 1. Results of Operations

## (1) Analysis regarding results of operations

During the consolidated fiscal year under review, global economy remained unable to completely dispel the concerns of national default risks in European region such as in Greece. The extent of economic damage brought about by the debt issues in Europe is still unclear, and it is difficult to deny the possibility that the debt issues in Europe may lead to an economic crisis worse than the Lehman shock.

Meanwhile, Japanese economy has experienced a worst trade deficit in history due to a decrease in imports because of the Great East Japan Earthquake and strong yen, as well as increased crude oil import due to operation suspension of nuclear power plants. Future of Japanese economy remains unclear; Japan’s GDP has fallen behind China, it has been unable to find a way to depart from the deflationary economy, and aging society combined with falling population adds to the burden of social security cost on national finances. In addition to the uncertainties toward European economic crisis, manufacturing industry, which is Japan’s key industry, struggles from so-called sixfold difficulty which includes strong yen, high corporate tax rates, and delay in trade liberalization, and is destined to transition into increasingly severe business environment.

Under these conditions, order situation in some part of our industry shows a recovery trend as production at manufacturers regains calmness after the turmoil from the Great East Japan Earthquake. However, impacts from last year’s natural disasters have provided manufacturers an opportunity to review their production system in a medium- and long-term standpoint. Some manufacturers have started considering overseas transfer at a speed far beyond the industry expectation. Moreover, although the market volume is in balanced contraction, recruitment continues to be an issue, and even leading manufacturers with competitive advantage have a difficulty securing enough employees to satisfy their clients’ demand. Therefore, costs for securing human resources such as recruitment cost are on the rise.

Occasioned by these circumstances, nms Group (the Company and its consolidated subsidiaries) has formulated a new business strategy concept (“neo EMS”) under which the Group will promote business initiatives that address key issues of the Group’s individual operations. The Group has been successful to a certain degree in regard to these efforts. Specific measures include the following:

- IS operations: Raise the competitive strength of the Group’s core business, and develop overseas market
- MS operations: Pursue high-margined business models, expand domestic operations, and make preparations to enter overseas market
- GE operations: Pursue synergies between operations, recognizing that such operations are indispensable for the “neo EMS”
- EMS operations: Aim for greater group manufacturing prowess and re-establish a business platform for domestic and overseas operations

The Great East Japan Earthquake and Thailand floods, both occurring during the consolidated fiscal year under review, have impacted the Group’s earnings to a large extent. The Group has been seeking to expand group manufacturing bases both domestically and internationally and results for TKR Corporation ("TKR Group") along with the SHIMA Electronic Industry Co., Ltd. (“SHIMA Group”) were more notably impacted than expected. In spite of this, downturn in results was minimized, as the Group has frequently been nominated as a service provider by Group clients whose production shifted into higher gear after the natural disasters.

As a result, in the consolidated fiscal year under review, sales revenue increased 54.0 percent on the year to 31,832 million yen, but operating income declined 58.3 percent to 251 million yen and ordinary income fell 54.4 percent to 266 million yen. Net income for the period totaled 1,356 million yen (+49.4 % on the year).

Segment results developed as follows.

### [1] Inline Solutions (IS) operations

The Group’s manufacturing clients had been gradually recovering from the tremendous damages from the Great East Japan Earthquake, steadily rebuilding production systems such as repairing physical damage to plant and equipment, restructuring supply chains, and adjusting production operations to deal with electric power shortages. In addition, in an effort to minimize the damages from Thailand floods that occurred during the third quarter of consolidated fiscal year under review, the manufacturers have reached a situation urging them to form supply chains from global perspective and to establish internationally diversified manufacturing bases in a mid-and-long term standpoint.

Under these circumstances, domestic IS operations are recovering smoothly while minimizing the impact of the earthquake, based on trust and reputation earned from manufacturing clients. As a result, enrollment has reached its highest since the Lehman Brothers’ fall. This is attributed to the Group’s competitive advantage in manufacturing, which was highly evaluated in comparison to competitors because the Group owns in-house factories where it is able to promote contracting services, as well as EMS subsidiaries that offer services such as substrate mounting and product assembly in Japan and overseas.

On the other hand, for manufacturing clients considering production transfer to overseas, the Group’s ability to offer services such as overseas manufacturing outsourcing and contract manufacturing, not to mention the ability to meet the domestic outsourcing needs, has enabled it to achieve perfect discrimination, and aggressive sales and marketing activities were

promoted in China and Vietnam respectively in full cooperation with Beijing Zhongji Zhonghe International Technical Services Ltd. ("Zhongji Zhonghe") and nms International Vietnam Company Limited. ("nms Vietnam"). This has led Zhongji Zhonghe to launch a main office in Beijing along with two branch offices (in Wuxi and Shenzhen) already, and is now in full operation.
Based on the foregoing, for the consolidated fiscal year under review, the Group reported revenues of 9,352 million yen (+9.8 % on the year) with operating income of 901 million yen (-0.1 % on the year).

**[2] Manufacturing Solution (MS) operations**
With regard to MS operations (changed to "CS operations" since April 1, 2012), although there were impacts of the earthquake including physical damage to buildings, in May the Group was quick to implement transfers of operating bases including the transfer of Iwate Factory, the main base, and worked toward a speedy resumption of operations. The result has been better than expected, as performance in June recovered almost to the level before the earthquake. Meanwhile, however, there was no development of major new business with a potential of becoming a future pillar. In the consolidated fiscal year under review, MS operations has pursued to further advance from the existing contracting business form, and has worked to expand business by launching field services area which provides visit repair services, resulting in increased number of manufacturing clients and wider product range. Looking ahead, MS operations' mission has been redefined so that the concept of the operations covers not only the repair operations but also the customer service operations as a whole.
Moreover, in a manner similar to IS operations, MS operations also further strengthened the cooperation with Zhongji Zhonghe who offers overseas human resource business, along with nms Vietnam, TKR Group who offers EMS operations, and SHIMA Group. In order to seek business opportunity potentials overseas, a feasibility study which includes marketing review as well as business model review has been under way.
As a result, the Group reported revenues of 2,903 million yen (−8.5 % on the year) with operating income of 477 million yen (−4.2 % on the year).

**[3] Global Engineering (GE) operations**
GE operations in the consolidated fiscal year under review, while maintaining domestic engineer dispatch services as a key operation, experienced a difficulty in securing engineers in the market for Japanese engineers dispatch, which nms viewed as a business opportunity; working more closely with Beijing Rihua Caichuang International Technical Services Ltd. and Zhongji Zhonghe, two local affiliates in China, nms made further improvements to the Group's unique business model of dispatching Chinese engineers to Japanese manufacturers in China and met the needs of its clients.
In addition, GE operations has been practicing its business development as "neo EMS", meaning that it has been focusing on the creation of new contract-base design business by cooperating with TKR Group and SHIMA Group, which had been turned into subsidiaries and offer EMS operations, while at the same time dispatching engineers from TKR Group and SHIMA Group to meet the demand within the nms Group as production fluctuated.
As a result, the Group reported revenues of 627 million yen (−8.9 % on the year) with operating income of 56 million yen (+5.8 % on the year).

**[4] Electronics Manufacturing Service (EMS) operations**
EMS operations has developed its operations as a business centered on SHIMA Electronic Industry Co., Ltd, which joined the Group in July 2010, and its subsidiaries in Hong Kong and Malaysia and the China based manufacturing service plant that caters to the Hong Kong subsidiary. In addition, due to the management integration of TKR Corporation by purchasing more than half of its shares in July 2011, nms constructed the framework to promote EMS operations with SHIMA Group and TKR Group.
Results for the consolidated fiscal year under review declined most strongly among the Group's operations due to the direct effects from disrupted global components procurement after the Great East Japan earthquake. Additionally, the massive flooding in Thailand had an enormous impact again on supply chains dependent on Japanese manufacturers for component procurement, resulting in severe deterioration. In spite of all-out efforts made throughout the period to improve performance through cost minimum operations and rigorous reviews implemented with regard to sales, marketing and technology in order to obtain further synergies between group operations in the future, results for the consolidated fiscal year under review was weak.
As a result, the Group reported revenues of 18,949 million yen (+128.4 % on the year) with operating income of 14 million yen (-86.8% on the year).

As for the outlook for the coming fiscal year, the Group will continue to thoroughly pursue its strengths under the “neo EMS” business strategy concept. As a numerical goal toward achieving the medium term management plan announced in December 2011, the Group forecasts that it will record 45,000 million yen in consolidate net sales, 1,000 million in consolidated operating income, 1,050 million yen in consolidated ordinary income, and 500 million yen in consolidated net income. Regarding EMS operations, SHIMA Electronic Industry (H.K) Co., Ltd. of SHIMA Electronic Industry Co., Ltd., a subsidiary, will make a change in accounting period ending in March 2013, and periodic accounting of profit and loss will be for nine months (April – December).

For the IS operations, the Group will continually strive to precisely ascertain client trends in order to timely meet the needs of manufacturers and will actively propose contract manufacturing services making use of its abundant experience in the field. In order to benefit from the many business opportunities when manufacturing bases are moved overseas from Japan, the Group will fully launch labor dispatch services (manufacturing staff and engineer dispatch) in China and fully introduce “The UKEOI (the global shift to contracting)” in Vietnam. By preparing wide-range solution options in Japan and overseas and precisely meeting client needs, the Group professes to support Japanese manufacturing and to become a strategic partner of client manufacturers.

For the CS (formerly MS) operations, the Group will not only reexamine the business model applied to these operations, which have continued to generate sales growth until previous consolidated fiscal year even under difficult conditions, but also reflect upon insufficiency of new businesses during the consolidated fiscal year under review, and continue to look for new business opportunities. It is assumed that Japanese manufacturers will further examine moving their production bases located in Japan overseas, but the Group is aware that repair operations, which it is particularly strong in, will remain in Japan and, therefore, will work to steadily expand these operations. In particular, the Group will set winning new projects as a primary assignment, and will be engaging in aggressive marketing activities. The business has been developed centered on repair operations where the work is completed at the Group’s bases, but since the consolidated fiscal year under review, the Group is working to develop infrastructures to set field service (repair service to be done in the field, such as for white appliances that consumers cannot send to the Company) as its next business pillar, and will be making efforts to expand its service field.

For the GE operations, the Group will focus on maintaining sales and improving profitability in order to steadily expand the business even without an increase in demand. In particular, efforts will be undertaken to make effective use of business resources in order to generate greater synergies from the ES and GS operations that were merged previous consolidated fiscal year. In addition, the Group will review and improve its nms course (educational program for Japanese language and production management) which is offered at colleges in China, so that engineer dispatches to manufactures in Japan will increase. At the same time, the Group will cooperate with Zhongji Zhonghe in China in order to expand engineer dispatches to Japanese manufacturers.

The EMS operations are centered on SHIMA Group, which joined the Group in the previous consolidated fiscal year, and TKR Group, whose management was integrated during the consolidated fiscal year under review. The strategy for this business during the next fiscal year is to form collaborations with other operations such as the IS operations (human resources business), the core of the “neo EMS” business strategy concept, both domestically and internationally, and to give the greatest priority to meeting the diverse needs of manufacturers. Particularly in China, the Group is aiming to promote business integrations with labor dispatch services (dispatches of manufacturing workers and engineers) promoted by Zhongji Zhonghe in Huanan region, where TKR HUANAN ELECTRONICS (DONG GUAN) CO., LTD (Dong Guan EMS plant) of TKR Group and SHIMA Group’s Shenzhen plant for processing and assembling with supplied materials are located, in order for an early launch of “neo EMS” business model. In addition, the Group will aspire to increase orders from client manufacturers in the IS operations, CS (formerly MS) operations, and GE operations both domestically and internationally, and will develop a business strategy to maximize inter-operational synergies at the Group level and vigorously undertake both sales and technology related activities.

### (2) Analysis concerning financial position

1) Assets, liabilities and net assets

Consolidated assets at the end of the fiscal year under review increased 11,347 million yen compared with the end of the prior consolidated fiscal year to 18,709 million yen. This was mainly due to the management integration of TKR Corporation by purchasing more than half of its shares in July 2011.

Current assets increased 6,528 million yen compared with the end of the prior consolidated fiscal year to 13,036 million yen. This was due to trade notes and accounts receivable, and cash and deposits, which increased 2,598 million yen and 2,519 million yen, respectively.

Fixed assets increased 4,818 million yen compared with the end of the prior consolidated fiscal year to 5,672 million yen. This was due to property, plant, and equipment, and investments and other assets, which increased 3,608 million yen and 912 million yen, respectively.

Consolidated liabilities increased 7,677 million yen compared with the end of the prior consolidated fiscal year to 12,870 million yen.

Current liabilities increased 5,996 million yen compared to the end of the prior consolidated fiscal year to 10,229 million yen. This was due to short-term loans payable, and trade notes and accounts payable, which increased 3,534 million yen and 1,753 million yen, respectively.

Long-term liabilities increased 1,680 million yen compared with the end of the prior consolidated fiscal year to 2,640 million yen. This was due to long-term loans and accrued employees' retirement benefits, which increased 872 million yen and 461 million yen, respectively.

Consolidated net assets increased 3,670 million yen compared with the end of the prior consolidated fiscal year to 5,839 million yen. This is due to retained earnings and minority shareholder's interest, which increased 1,316 million yen and 2,476 million yen, respectively.

2) Cash flows

Consolidated cash and cash equivalents and the end of the consolidated fiscal year under review increased 2,160 million yen compared with the end of the prior consolidated fiscal year and totaled 3,873 million yen.

Net cash provided by operating activities was a 596 million yen (-11.1% on the year). Main factors were a 1,441 million yen in net income before income taxes (+36.0% on the year) and a 1,140 million yen in goodwill expenses (+92.7% on the year).

Net cash provided in investing activities was a 667 million yen (Cash used in investing activities totaled 196 million yen at the same period in the previous year). Main factors were a 517 million yen in income from the acquisition of subsidiary stocks due to a change in the scope of consolidation (compared to a 498 million yen in expense at the same period in the previous year), a 382 million yen in income from the repayment of time deposits (+30.7% on the year) and a 164 million yen in expense from acquisition of tangible fixed assets (+398.7% on the year).

Net cash provided by financing activities was a 949 million yen (+171.7% on the year). Main factors were a 1,846 million yen in net increase from short-term loans (compared to an 831 million yen in net repayment in the same period in the previous year) and a 711 million in repayment of long-term loans (+239.0% on the year).

(Reference) Cash flow related indicators

| | FY 2011 | FY 2012 |
|---|---|---|
| Shareholders' equity ratio (%) | 29.2 | 17.9 |
| Shareholders' equity ratio based on market prices (%) | 106.4 | 25.6 |
| Interest-bearing debt to cash flow ratio (%) | 2.5 | 10.6 |
| Interest coverage ratio (times) | 55.7 | 10.4 |

Shareholders' equity ratio: Shareholders' equity / Total assets
Shareholders' equity ratio based on market prices: Market capitalization / Total assets
Interest-bearing debt to cash flow ratio: Interest-bearing debt / Cash flow
Interest coverage ratio: Cash flow / Interest paid

(Notes) 1. Indicators are calculated using consolidated financial figures.
2. Market capitalization is calculated using the total number of issued shares minus treasury shares.
3. Cash flow refers to cash flow from operating activities.
4. Interest-bearing debt refers to all liabilities appearing on the balance sheet that interest is paid on. Interest paid appearing in the statement of cash flows is used as interest paid.
5. Since fiscal year 2011 is the first fiscal year that consolidated financial statements have been created, cash flow indicators for fiscal year 2010 and earlier are not given.

### (3) Basic profit allocation policy, and dividends in the current and next fiscal years

The Group is aware that providing shareholders a return on their investment is an important business mission but also thinks that it is vital to maintain sufficient internal reserves in preparation for developing a business strategy in order to realize long-term corporate growth. The Group has a basic dividend policy of paying dividends while giving consideration to balancing shareholders' return and internal reserves. In addition, dividends are not the only way to provide shareholders with a return; another method is to conduct share buyback.

In accordance with the basic dividend policy given above, the Group set a medium-term target of generating a total shareholder return of 20% through dividends and share buybacks and initially promised a year-end dividend of 300 yen per share. After that, taking into consideration the consolidation of TKR Corporation which resulted in a significant expansion in business scale, the Group decided on a commemorative dividend and announced that it had revised its forecast for the year-end dividend to 400 yen per share.

As for the dividend for the next fiscal year, the Group is comprehensively examining shareholder return, which includes several elements including dividend and share buybacks, and is aiming to achieve its medium-term goal of a total shareholder return of 20% as we aimed to achieve this fiscal year.