



Consolidated Financial Statements

For the First Quarter ended June 30, 2024 [Japanese GAAP]

August 9, 2024

Listed Company Name: INNOTECH CORPORATION
 Stock Listed: Prime Market of the Tokyo Stock Exchange
 Code No.: 9880
 URL: <https://www.innotech.co.jp/>
 Headquarters: 3-17-6, Shinyokohama, Kouhoku-ku, Yokohama-shi 222-8580 JAPAN
 TEL: 81-45-474-9000 / FAX: 81-45-474-9089
 President and Representative Director: Nobuyuki Otsuka

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Highlights for the First Quarter ended June 30, 2024

(April 1, 2024 to June 30, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
First Quarter, FY2024	10,218	17.6	434	329.0	733	125.6	434	128.8
First Quarter, FY2023	8,689	△ 3.8	101	△ 70.5	325	△ 41.0	189	△ 28.6

[Note] Comprehensive income First Quarter, FY2024: 876 million yen (−%) First Quarter, FY2023: △19 million yen (−%)

	Profit attributable to owners of parent per share	Diluted profit attributable to owners of parent per share
	yen sen	yen sen
First Quarter, FY2024	32.28	32.14
First Quarter, FY2023	14.45	14.08

(2) Consolidated Financial Position

	Total assets	Net assets	Net worth ratio
	million yen	million yen	%
First Quarter, FY2024	47,455	25,699	52.9
FY2023	47,833	25,322	51.6

[Reference] Net worth First Quarter, FY2024: 25,095 million yen FY2023: 24,704 million yen

2. Dividend Payment Results and Outlook

	Annual dividend per share Total				
	As of Q1-end	As of Q2-end	As of Q3-end	As of Fiscal Year-end	Full Year
	yen sen	yen sen	yen sen	yen sen	yen sen
FY2023	-	35.00	-	35.00	70.00
FY2024	-	-	-	-	-
FY2024 (outlook)	-	35.00	-	35.00	70.00

[Note] Revision made in the forecast dividend as of the end of the current quarter: None

3. Consolidated Business Outlook for FY2024 (April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit attributable to owners of parent per
	million yen	%	million yen	%	million yen	%	million yen	%	yen sen
FY2024	43,500	5.2	2,500	1.0	2,550	△ 11.5	1,700	15.0	126.32

[Note] Change made in figures of the consolidated business outlook as of the end of the current quarter from the previous announcement: None

Notes to Consolidated Financial Statements

(1) Significant changes in the scope of consolidation during the period : None
Newly — (Name of Company) — Exception — (Name of Company) —

(2) Application of peculiar methods for accounting procedures : None

(3) Changes in accounting procedures:

- ① Related to accounting standard revisions etc. : Yes
- ② Other changes : None
- ③ Changes in accounting estimates : None
- ④ Modified restatements : None

(4) Number of shares outstanding (common stock)

- ① Total outstanding shares including treasury shares as of:

June 30, 2024	13,700,000 shares	March 31, 2024	13,700,000 shares
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- ② Outstanding treasury shares as of:

June 30, 2024	241,614 shares	March 31, 2024	241,614 shares
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- ③ Average outstanding shares for the first quarter ended:

June 30, 2024	13,458,386 shares	June 30, 2023	13,140,027 shares
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[Note] The number of treasury shares at the end of the period includes the Company's stock held by trust accounts of ESOP (42,000 shares as of June 30, 2024; 42,000 shares as of March 31, 2024). Also, the Company's stock held by trust accounts is included in treasury shares that are deducted in the calculation of the average number of shares during the period (42,000 shares for the three months ended June 30, 2024; 42,000 shares for the three months ended June 30, 2023).

* Review of the quarterly consolidated financial statements by a certified public accountant or auditing firm: None

* Request for appropriate use of the business outlook and other special remarks:

The information provided in this documentation includes forward looking statements based on current expectations, forecasts or beliefs. Such forward looking statements include a number of preliminary assumptions about future events that are subject to factors and uncertainties that could cause actual results to differ materially from those described in the forward looking statements.

Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	8,876,950	6,749,319
Notes and accounts receivable - trade, and contract assets	10,170,499	10,605,121
Merchandise and finished goods	5,485,515	5,896,249
Work in process	1,503,906	1,770,140
Raw materials	2,192,112	2,260,328
Other	2,077,892	2,670,527
Allowance for doubtful accounts	△1,592	—
Total current assets	30,305,285	29,951,686
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,823,759	8,842,733
Accumulated depreciation	△5,557,041	△5,616,755
Buildings and structures, net	3,266,718	3,225,977
Land	5,872,784	5,872,784
Other	4,959,695	5,069,431
Accumulated depreciation	△2,469,059	△2,625,050
Other, net	2,490,636	2,444,380
Total property, plant and equipment	11,630,139	11,543,142
Intangible assets		
Goodwill	817,981	775,799
Other	1,248,338	1,261,102
Total intangible assets	2,066,320	2,036,901
Investments and other assets		
Investment securities	1,479,596	1,568,906
Other	2,352,359	2,355,074
Total investments and other assets	3,831,955	3,923,980
Total non-current assets	17,528,415	17,504,025
Total assets	47,833,701	47,455,711

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,778,142	2,701,867
Short-term borrowings	9,479,991	8,311,636
Current portion of long-term borrowings	660,000	550,000
Income taxes payable	489,044	312,545
Advances received	4,142,390	5,456,609
Provision for bonuses	449,826	535,619
Provision for bonuses for directors (and other officers)	4,000	15,710
Other	2,257,576	1,834,997
Total current liabilities	20,260,971	19,718,985
Non-current liabilities		
Long-term borrowings	1,280,000	1,150,000
Provision for retirement benefits for directors (and other officers)	168,097	86,517
Provision for share awards	35,992	38,739
Retirement benefit liability	358,727	354,359
Other	407,601	407,401
Total non-current liabilities	2,250,418	2,037,018
Total liabilities	22,511,390	21,756,003
Net assets		
Shareholders' equity		
Share capital	10,517,159	10,517,159
Capital surplus	4,044,529	4,052,203
Retained earnings	9,242,163	9,204,110
Treasury shares	△275,721	△275,721
Total shareholders' equity	23,528,132	23,497,752
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	258,584	300,898
Deferred gains or losses on hedges	△85,861	6,394
Foreign currency translation adjustment	864,545	1,155,892
Remeasurements of defined benefit plans	138,919	134,777
Total accumulated other comprehensive income	1,176,186	1,597,963
Share acquisition rights	21,730	21,730
Non-controlling interests	596,260	582,261
Total net assets	25,322,310	25,699,707
Total liabilities and net assets	47,833,701	47,455,711

Quarterly Consolidated Statements of Income

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	8,689,431	10,218,317
Cost of sales	6,058,884	7,106,699
Gross profit	2,630,546	3,111,618
Selling, general and administrative expenses	2,529,266	2,677,100
Operating profit	101,280	434,517
Non-operating income		
Rental income from real estate	114,490	120,620
Foreign exchange gains	204,095	300,011
Other	39,410	24,343
Total non-operating income	357,996	444,974
Non-operating expenses		
Rental expenses on real estate	94,272	96,592
Other	39,929	49,671
Total non-operating expenses	134,202	146,264
Ordinary profit	325,074	733,228
Profit before income taxes	325,074	733,228
Income taxes	165,711	296,590
Profit	159,363	436,637
Profit (loss) attributable to non-controlling interests	△30,492	2,177
Profit attributable to owners of parent	189,855	434,459

Quarterly Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	159,363	436,637
Other comprehensive income		
Valuation difference on available-for-sale securities	34,788	42,314
Deferred gains or losses on hedges	51,472	92,256
Foreign currency translation adjustment	△266,674	309,668
Remeasurements of defined benefit plans, net of tax	1,568	△4,141
Total other comprehensive income	△178,844	440,097
Comprehensive income	△19,481	876,735
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,071	856,235
Comprehensive income attributable to non-controlling interests	△34,553	20,499

(Segment Information)

I. First Quarter, FY2023 (April 1, 2023 to June 30, 2023)

(Thousands of yen)

	Reportable segments				Reconciling items	Quarterly consolidated financial statements
	Test Solution Business	Semiconductor Design-related Business	System and Service Business	Reportable segments		
Sales						
Testers	529,038	—	—	529,038	—	529,038
STAr Technologies	1,906,447	—	—	1,906,447	—	1,906,447
EDA and Others	—	2,082,034	—	2,082,034	—	2,082,034
Sanei Hytechs	—	1,038,701	—	1,038,701	—	1,038,701
MoDeCH	—	73,194	—	73,194	—	73,194
Embedded System and Others	—	—	636,575	636,575	—	636,575
IT Access	—	—	1,396,631	1,396,631	—	1,396,631
GAIO Technology	—	—	917,260	917,260	—	917,260
Regulus	—	—	109,547	109,547	—	109,547
Revenue from Contracts with Customers	2,435,486	3,193,930	3,060,014	8,689,431	—	8,689,431
Revenues from external customers	2,435,486	3,193,930	3,060,014	8,689,431	—	8,689,431
Transactions with other segments	—	696	2,886	3,582	△3,582	—
Net sales	2,435,486	3,194,627	3,062,900	8,693,014	△3,582	8,689,431
Operating profit (△loss)	△314,609	162,732	287,416	135,539	△34,259	101,280

II. First Quarter, FY2024 (April 1, 2024 to June 30, 2024)

(Thousands of yen)

	Reportable segments				Reconciling items	Quarterly consolidated financial statements
	Test Solution Business	Semiconductor Design-related Business	System and Service Business	Reportable segments		
Sales						
Testers	879,631	—	—	879,631	—	879,631
STAr Technologies	2,354,992	—	—	2,354,992	—	2,354,992
EDA and Others	—	2,316,282	—	2,316,282	—	2,316,282
Sanei Hytechs	—	971,692	—	971,692	—	971,692
MoDeCH	—	73,578	—	73,578	—	73,578
Embedded System and Others	—	—	735,531	735,531	—	735,531
IT Access	—	—	1,656,629	1,656,629	—	1,656,629
GAIO Technology	—	—	1,127,303	1,127,303	—	1,127,303
Regulus	—	—	102,676	102,676	—	102,676
Revenue from Contracts with Customers	3,234,624	3,361,552	3,622,140	10,218,317	—	10,218,317
Revenues from external customers	3,234,624	3,361,552	3,622,140	10,218,317	—	10,218,317
Transactions with other segments	—	50	6,789	6,839	△6,839	—
Net sales	3,234,624	3,361,603	3,628,929	10,225,157	△6,839	10,218,317
Operating profit (△loss)	△212,801	169,508	522,375	479,082	△44,564	434,517

* Matters related to changes in reportable segments, etc.

From the first quarter of the year under review, we reviewed methods for allocating corporate expenses in order to more suitably manage the performances of reportable segments, changing the method for calculating Operating profit (△loss) by reportable segments.

The segment information of the the first quarter of the previous term, is disclosed based on the changed method.