May 15, 2025

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [IFRS]

Company name:	Konica Minolta, Inc.
Stock exchange listings:	Tokyo (Prime Market)
Securities code number:	4902
URL:	https://konicaminolta.com
Representative:	Toshimitsu Taiko President and CEO, Representative Executive Officer
Contact:	Kenichi Fujiwara Executive Officer and General Manager, Corporate Accounting Division
Telephone number:	(81) 3-6250-2111
Scheduled date for Ordinary General Meeting of Shareholders:	June 17, 2025
Scheduled date for dividends payment:	-
Scheduled date for submission of securities report:	June 13, 2025
Availability of supplementary information for the financial results:	Yes
Organization of briefing on the financial results:	Yes (for institutional investors)

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

1. **Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)**

(1) Consolidated results of operations

(Percentage figures represent changes from the previous fiscal year.)

Fiscal year ended	Revenue		Business contribution profit		Operating profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	1,127,882	1.8	31,927	-4.2	(64,014)	-
March 31, 2024	1,107,705	-	33,335	-	27,543	-

Fiscal year ended	Profit before tax		Profit for the year		Profit attributable to owners of the Company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	(79,156)	-	(50,316)	-	(47,484)	-
March 31, 2024	15,334	-	4,199	-	4,521	-

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Profit ratio to equity attributable to owners of the Company	Profit before tax ratio to total assets	Operating profit ratio
	Yen	Yen	%	%	%
March 31, 2025	(95.98)	(95.98)	−9.5	−6.1	−5.7
March 31, 2024	9.15	9.12	0.9	1.1	2.5

(Reference) Share of profit (loss) of investments accounted for using the equity method:
Fiscal year ended March 31, 2025: 4 million yen
Fiscal year ended March 31, 2024: (236) million yen

(Notes)
1. "Business contribution profit" is calculated by deducting the cost of sales and selling, general and administrative expenses from revenue.
2. Total comprehensive income for the fiscal years ended March 31, 2025 and 2024, was (76,913) million yen and 53,778 million yen, respectively.
3. Basic earnings per share and diluted earnings per share are calculated based on the profit attributable to owners of Konica Minolta, Inc. (the "Company").
4. The Precision Medicine Business is classified as a discontinued operation from the fiscal year ended March 31, 2025. As a result, revenue, business contribution profit, operating profit, and profit before tax represent the amount of continuing operations excluding the discontinued operation. Profit for the year and profit attributable to owners of the Company represent the sum of continuing operations and the discontinued operation. In addition, the changes from the previous fiscal year are not provided since the same reclassification has been made for the fiscal year ended March 31, 2024.

(2) Consolidated financial position

As of	Total assets	Total equity	Equity attributable to owners of the Company	Equity ratio attributable to owners of the Company	Equity per share attributable to owners of the Company
	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2025	1,217,641	474,079	463,154	38.0	935.99
March 31, 2024	1,388,052	553,382	539,816	38.9	1,091.68

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	51,093	24,607	(110,861)	92,887
March 31, 2024	83,338	(44,534)	(96,853)	129,631

2. Dividends per share

	End of the three-month period	End of the six-month period	End of the nine-month period	End of the year	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	0.00	–	5.00	5.00
Fiscal year ended March 31, 2025	–	0.00	–	0.00	0.00
Fiscal year ending March 31, 2026 (forecast)	–	5.00	–	5.00	10.00

	Dividends paid (annual)	Dividends payout ratio (consolidated)	Dividends on equity attributable to owners of the Company ratio (consolidated)
	Millions of yen	%	%
Fiscal year ended March 31, 2024	2,483	54.6	0.5
Fiscal year ended March 31, 2025	–	–	–
Fiscal year ending March 31, 2026 (forecast)		20.6	

3. Consolidated forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentage figures represent changes from the previous fiscal year.)

Fiscal year ending	Revenue		Business contribution profit		Operating profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	1,050,000	-6.9	52,500	64.4	48,000	–

Fiscal year ending	Profit attributable to owners of the Company		Basic earnings per share
	Millions of yen	%	Yen
March 31, 2026	24,000	–	48.58

■ Notes

(1) Significant changes in the scope of consolidation for the fiscal year ended March 31, 2025: Yes

Included:	–	(–)
Excluded:	Three companies	Ambry Genetics Corporation, Invicro, LLC, and Konica Minolta Business Associates Co., Ltd.

(2) Changes in accounting policies or changes in accounting estimates

a. Changes in accounting policies required by International Financial Reporting Standards (IFRS):	None
b. Changes in accounting policies other than the above a.:	None
c. Changes in accounting estimates:	Yes

(Note) For further details, refer to “4. CONSOLIDATED FINANCIAL STATEMENTS AND RELATED NOTES, (6) Notes to the Consolidated Financial Statements [Change in accounting estimates]” on page 28.

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

a. Number of issued and outstanding shares (including treasury shares)	
As of March 31, 2025:	502,664,337 shares
As of March 31, 2024:	502,664,337 shares
b. Number of treasury shares	
As of March 31, 2025:	7,837,719 shares
As of March 31, 2024:	8,180,129 shares
c. Average number of issued and outstanding shares during the year	
The fiscal year ended March 31, 2025:	494,726,988 shares
The fiscal year ended March 31, 2024:	494,297,126 shares

(Note) The Company has established the Board Incentive Plan. The shares owned by the trust account relating to this trust are accounted for as treasury shares (1,956,064 shares as of March 31, 2025, and 2,223,585 shares as of March 31, 2024).

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated results of operations

(Percentage figures represent changes from the previous fiscal year.)

Fiscal year ended	Revenue		Operating profit		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	467,313	9.9	7,062	–	15,423	83.3
March 31, 2024	425,064	-9.0	315	-92.7	8,413	-7.1

Fiscal year ended	Net income		Net income per share	Net income per share (fully-diluted)
	Millions of yen	%	Yen	Yen
March 31, 2025	(11,732)	–	(23.72)	(23.65)
March 31, 2024	(4,237)	–	(8.57)	(8.55)

(2) Non-consolidated financial position

As of	Total assets	Total equity	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	796,444	299,964	37.6	605.82
March 31, 2024	894,908	312,823	34.9	632.12

(Reference) Equity:

Fiscal year ended March 31, 2025: 299,775 million yen

Fiscal year ended March 31, 2024: 312,573 million yen

■ This summary of consolidated financial results falls outside the scope of audit procedures to be performed by certified public accountants or an audit firm.

■ Explanation concerning the appropriate use of the forecasts for results of operations and other special matters

Note on the forecasts for the consolidated financial results

The forecasts for results of operations in this report are based on information currently available to the Company and its subsidiaries (the "Group") and certain assumptions determined to be reasonable, and are not intended to assure any achievement of the Group's operations. Actual results may differ significantly from the forecasts due to various factors. For further details of the assumptions that form the basis of the forecasts and other related matters when referring to the forecasts, refer to "1. OVERVIEW OF FINANCIAL RESULTS, (1) Overview of Consolidated Operating Results, c. Performance Forecasts for the Fiscal Year Ending March 31, 2026" in the attached Supplementary Information on page 14

Supplementary information for the financial results and briefing on the financial results

The Company will hold a briefing on the financial results for institutional investors on Thursday, May 15, 2025. The proceedings and details of the briefing, along with the supplementary information on the financial results to be presented at the briefing, will be posted on the website of the Group soon after the briefing.

Supplementary Information

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1. OVERVIEW OF FINANCIAL RESULTS

(1) Overview of Consolidated Operating Results

a. Overview

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Increase (Decrease)	
	Billions of yen	Billions of yen	Billions of yen	%
Revenue (Note 3)	1,107.7	1,127.8	20.1	1.8
Gross profit (Note 3)	475.1	479.4	4.3	0.9
Business contribution profit (Note 1) (Note 3)	33.3	31.9	(1.4)	-4.2
Operating profit (loss) (Note 3)	27.5	(64.0)	(91.5)	–
Profit (loss) before tax (Note 3)	15.3	(79.1)	(94.4)	–
Profit (loss) attributable to owners of the Company (Note 3)	4.5	(47.4)	(52.0)	–
	Yen	Yen	Yen	%
Basic earnings (loss) per share (Note 3)	9.15	(95.98)	(105.13)	–
	%	%		
ROE (Note 2)	0.9	-9.5	-10.3	–
	Billions of yen	Billions of yen	Billions of yen	%
Capital expenditures	44.4	41.6	(2.8)	-6.4
Depreciation and amortization expenses	75.7	74.5	(1.1)	-1.6
Research and development expenses (Note 3)	58.1	59.5	1.4	2.6
	Billions of yen	Billions of yen	Billions of yen	%
Free cash flows	38.8	75.7	36.8	95.1
	Number	Number	Number	%
Number of employees in the Group	40,015	35,631	(4,384)	-11.0
Foreign exchange rates	Yen	Yen	Yen	%
U.S. dollar	144.62	152.58	7.96	5.5
Euro	156.80	163.75	6.95	4.4

(Notes)

1. "Business contribution profit" is calculated by deducting the cost of sales and selling, general and administrative expenses from revenue.
2. ROE = Profit attributable to owners of the Company divided by equity attributable to owners of the Company (average of beginning and ending balances).
3. The Precision Medicine Business is classified as a discontinued operation from the fiscal year ended March 31, 2025. As a result, revenue, gross profit, business contribution profit, operating profit or loss, profit or loss before tax, and research and development expense represent the amount of continuing operations excluding the discontinued operation. Profit or loss attributable to owners of the Company and basic earnings or loss per share represent the sum of continuing operations and the discontinued operation. In addition, the figures for the fiscal year ended March 31, 2024, are also compared with the figures after reflecting the above changes.

Under the Company's Medium-term Business Plan (2023-2025), efforts have been focused on restoring profitability and returning to a path of sustainable growth, by increasing business contribution profit, which represents the earning power of the Company's business operations. In the current fiscal year ended March 31, 2025 (the "current fiscal year"), which marks the midpoint of the Medium-term Business Plan, the Company positioned it as a critical year to decisively complete management reform. Accordingly, the Company focused on promoting the business selection and concentration, as well as global structural reforms, and successfully executed these initiatives as planned.

As part of business selection and concentration, the Company completed the transfer of all equity capital in Invicro, LLC to Calyx Services Inc. on April 30, 2024, and the transfer of all shares of Ambry Genetics Corporation to Tempus AI, Inc. on February 3, 2025. As a result, the Precision Medicine Business has been classified as a discontinued operation from the current fiscal year. In the consolidated statements of profit or loss, profit or loss from discontinued operation is presented separately from continuing operations, and the same reclassification has been applied to the previous fiscal year ended March 31, 2024 (the "previous fiscal year").

The Group recorded revenue of 1,127.8 billion yen for the current fiscal year, an increase of 1.8 % year-on-year, partly due to the contribution of foreign exchange rates. In terms of revenue by business, the Digital Workplace Business, the Professional Print Business, and the Imaging Solutions Business have recorded increases in revenue year-on-year, partly due to the impact of yen depreciation, while the Industry Business has recorded a decrease in revenue year-on-year.

Gross profit amounted to 479.4 billion yen (an increase of 0.9% year-on-year). This was driven by increased revenue and ongoing production cost reductions in the office unit. During the audit for the current fiscal year, the audit firm identified an issue regarding the calculation of elimination of unrealized gains in consolidated adjustments and 11.4 billion yen was recorded as cost of sales.

Business contribution profit was 31.9 billion yen (a decrease of 4.2% year-on-year). This was supported by efforts to control selling, general and administrative expenses, primarily through the effects of global structural reforms. By business segment, the Digital Workplace Business saw an increase in profit. However, the Professional Print Business posted a decline in profit due to the impact of the calculation of elimination of unrealized gains in the aforementioned consolidated adjustments. The Industry Business and the Imaging Solutions Business also recorded a decline in profit.

As a result of completing the aforementioned management reforms, as well as the recognition of one-time expenses such as impairment losses on goodwill and property, plant and equipment, etc., operating loss amounted to 64.0 billion yen (a decrease of 91.5 billion yen from an operating profit of 27.5 billion yen in the previous fiscal year). The one-time expenses include the followings.

Business structure improvement expenses totaled 21.6 billion yen (compared to 0.8 billion yen in the previous fiscal year), primarily reflecting costs related to global structural reforms, selection and concentration on direction-changing businesses, and ending production activities of Konica Minolta Business Technologies (WUXI) Co., Ltd., a manufacturing subsidiary in China. Furthermore, in the fourth quarter of the current fiscal year (the "fourth quarter"), a loss of 20.2 billion yen was recorded. This loss was mainly attributable to divestitures executed as part of the business selection and concentration efforts, including the execution of a share transfer agreement for Konica Minolta Marketing Services Holding Company Limited in the marketing services unit and a share transfer agreement for MOBOTIX AG in the imaging-IoT solutions unit.

During the third quarter of the current fiscal year, impairment losses on goodwill totaling 23.6 billion yen were recorded for Radiant Vision Systems, LLC and Instrument Systems GmbH, both of which belong to the sensing unit of the Industry Business. Additionally, Konica Minolta Opto (Dalian) Co., Ltd., a subsidiary within the optical components unit of the Industry Business, had entered into an agreement on October 26, 2023, to transfer 80% of its shares to Guangzhou Luxvisions Innovation Technology Limited. However, as a result of discussions toward closing, the entity was excluded from the scope of the transfer. Therefore, the Company ceased to classify the assets as held for sale and reduced the carrying amount to the recoverable amount in the process of reclassifying them to regular assets and liabilities. As a result, impairment losses on property, plant and equipment and others of 4.5 billion yen were recognized.

During the fourth quarter, impairment losses of 13.9 billion yen were recognized in the industrial print unit of the Professional Print Business for goodwill, property, plant and equipment, and intangible assets related to MGI Digital Technology S.A., a France-based manufacturer of printing equipment. In the healthcare unit of the Imaging Solutions Business, impairment losses of 5.5 billion yen were recorded for property, plant and equipment and intangible assets. Furthermore, in the DW-DX unit of the Digital Workplace Business, impairment losses of 2.5 billion yen were recognized for goodwill and property, plant and equipment and others at three consolidated subsidiaries.

As a result, total impairment losses for the current fiscal year amounted to 51.1 billion yen (compared to 4.1 billion yen in the previous fiscal year).

Loss before tax for the current fiscal year was 79.1 billion yen (a decrease of 94.4 billion yen from profit before tax of 15.3 billion yen in the previous fiscal year).

As a result of the reversal of deferred tax assets for consolidated subsidiaries, including Konica Minolta Holdings U.S.A., Inc., income tax expense of 16.2 billion yen was recognized.

Due to the gain from the transfer of all shares of Ambry Genetics Corporation to Tempus AI, Inc., the gain from the adjustment of exchange differences on translation of foreign operations according to the completion of the share transfer, and the adjustments to the share transfer gain, including the fair value evaluation of shares in Tempus AI, Inc. acquired as part of the transfer price, a profit of 45.0 billion yen was recognized as profit from discontinued operation in the current fiscal year.

As a result of these factors, loss attributable to owners of the Company, including the discontinued operation, was 47.4 billion yen (a decrease of 52.0 billion yen from profit attributable to owners of the Company, including the discontinued operation, of 4.5 billion yen in the previous fiscal year).

The reportable segments have been reclassified from the current fiscal year. In the year-on-year comparisons, the Company compared and analyzed the figures with those for the previous fiscal year, excluding the discontinued operation and reclassified based on the new reportable segments. More details are provided in “4. CONSOLIDATED FINANCIAL STATEMENTS AND RELATED NOTES, (6) Notes to the Consolidated Financial Statements [Segment Information] and [Discontinued Operation].”

b. Overview by Segment

		Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Increase (Decrease)	
		Billions of yen	Billions of yen	Billions of yen	%
Digital Workplace Business	Revenue	614.9	616.3	1.4	0.2
	Business contribution profit	32.7	35.7	3.0	9.4
	Operating profit	32.9	13.9	(19.0)	-57.6
Professional Print Business	Revenue	263.3	284.6	21.2	8.1
	Business contribution profit	13.8	12.9	(0.8)	-6.0
	Operating profit	11.6	(13.1)	(24.8)	—
Industry Business	Revenue	123.5	119.2	(4.3)	-3.5
	Business contribution profit	17.6	14.0	(3.5)	-20.3
	Operating profit	16.5	(12.7)	(29.3)	—
Imaging Solutions Business	Revenue	105.1	106.9	1.7	1.7
	Business contribution profit	(8.3)	(10.3)	(1.9)	—
	Operating profit	(10.9)	(25.9)	(15.0)	—
Subtotal	Revenue	1,107.0	1,127.2	20.1	1.8
	Business contribution profit	55.7	52.4	(3.2)	-5.9
	Operating profit	50.2	(37.9)	(88.2)	—
Others and Adjustments (Note 2)	Revenue	0.6	0.6	0.0	1.5
	Business contribution profit	(22.4)	(20.5)	1.8	—
	Operating profit	(22.7)	(26.0)	(3.3)	—
Amount reported in the Consolidated Statements of Profit or Loss	Revenue	1,107.7	1,127.8	20.1	1.8
	Business contribution profit	33.3	31.9	(1.4)	-4.2
	Operating profit	27.5	(64.0)	(91.5)	—

(Notes)

1. “Revenue” refers to revenue from external customers.
2. “Revenue” refers to revenue from external customers in “Others” in “4. CONSOLIDATED FINANCIAL STATEMENTS AND RELATED NOTES, (6) Notes to the Consolidated Financial Statements [Segment Information].” “Operating profit” is the total of “Others” and “Adjustments” of segment profit (loss) within the same table.
3. Effective from the current fiscal year ended March 31, 2025, FORXAI and QOL Solutions, which were previously included in “Others,” are now included in the “Imaging Solutions Business.” In addition, the Precision Medicine Business has been classified as a discontinued operation, and the Company represents figures for continuing operations excluding the discontinued operation from the current fiscal year ended March 31, 2025. In the year-on-year comparisons, the Company compared and analyzed the figures with those for the fiscal year ended March 31, 2024, excluding the discontinued operation and reclassified based on the new reportable segments.

i. Digital Workplace Business

Revenue of the Digital Workplace Business was 616.3 billion yen (an increase of 0.2% year-on-year), partly due to the contribution of foreign exchange rates. Although there was the impact of the calculation of elimination of unrealized gains in the aforementioned consolidated adjustments, business contribution profit was 35.7 billion yen (an increase of 9.4% year-on-year) due to the implementation of production cost reductions in the office unit, the effects of global structural reforms, and the reductions of selling, general and administrative expenses. In addition, operating profit was 13.9 billion yen (a decrease of 57.6% year-on-year) due to one-time expenses and others related to global structural reforms and ending production activities of Konica Minolta Business Technologies (WUXI) Co., Ltd., the manufacturing subsidiary in China.

Revenue of the office unit increased year-on-year. The sales volumes of A3 MFPs with color models, monochrome models, and all models turned out to be at 92%, 98%, and 94% year-on-year, respectively, resulting in a slight decrease in the hardware revenue. The non-hardware revenue, such as consumables and services, saw an overall increase, partly due to the contribution of foreign exchange rates. Without consideration of the effect of foreign exchange rates, the non-hardware revenue was at the same level as the previous fiscal year.

The DW-DX unit, which mainly offers IT services, has been positioned as a direction-changing business, and has promoted the business selection and concentration, as well as global structural reforms during the current fiscal year. In particular, revenue of the managed IT services decreased year-on-year as a result of narrowing down regions and business areas based on profitability. The services to manage business content and operation processes, which the Company is focusing on, were robust in Europe. In-house developed AI SaaS business, such as learning support services and interpretation services using AI, grew in Japan.

ii. Professional Print Business

Revenue of the Professional Print Business was 284.6 billion yen (an increase of 8.1% year-on-year). Despite the increase in revenue, business contribution profit was 12.9 billion yen (a decrease of 6.0% year-on-year) due to the impact of the calculation of elimination of unrealized gains in the aforementioned consolidated adjustments. On the other hand, operating loss amounted to 13.1 billion yen (compared to an operating profit of 11.6 billion yen in the previous fiscal year) due to one-time expenses related to global structural reforms during the current fiscal year, an impairment loss of MGI Digital Technology S.A., the France-based manufacturer of printing equipment in the industrial print unit during the fourth quarter, and the loss of 9.8 billion yen recorded in the marketing services unit because of an agreement to transfer shares of Konica Minolta Marketing Services Holding Company Limited.

In the production print unit, revenue increased year-on-year. Regionally, the revenue of the hardware decreased in the United States, remained stable in Europe, and increased in China, India, and others. The sales volumes of color models, monochrome models, and all models reached 101%, 92%, and 99% year-on-year, respectively, and sales of hardware saw a rise due to the impact of foreign exchange rates. A 118% year-on-year increase in sales volume of the Heavy Production Print (HPP) with the fastest print speeds, which the Company is especially focusing on, contributed to this growth, and other segments were at the same level as the previous fiscal year. As for the non-hardware, such as consumables and services, revenue also increased year-on-year. Regionally, the revenue of the non-hardware increased in India and remained stable in Europe, the United States, and China.

In the industrial print unit, revenue increased year-on-year. In terms of hardware, sales volumes of textile printing and embellishment printing decreased; however, sales volumes of inkjet digital press (AccurioJet KM-1e) and high-speed digital label press (AccurioLabel 400) increased, and overall revenue increased. Non-hardware experienced revenue growth across all areas, including inkjet digital printing, label printing, textile printing, and embellishment printing, driven by the rising demand for digital printing.

In the marketing services unit, revenue increased year-on-year. In the print procurement support business, sales performed well due to intensified promotion activities of major customers in Europe, the United States, and Asia. The revenue of on-demand printing increased in South Korea.

iii. Industry Business

Revenue of the Industry Business was 119.2 billion yen (a decrease of 3.5% year-on-year). The revenue of inkjet (IJ) components unit and optical components unit increased. On the other hand, due to the increase in cost of sales from loss on inventories and others in the performance materials unit, and the lower gross profit resulting from lower revenue and others in the sensing unit, the revenue decreased in each unit. As a result, the business contribution profit amounted to 14.0 billion yen (a decrease of 20.3% year-on-year). As mentioned above, the operating loss of the Industry Business amounted to 12.7 billion yen (compared to an operating profit of 16.5 billion yen in the previous fiscal year) due to recognition of impairment losses on Radiant Vision Systems, LLC and Instrument Systems GmbH of the sensing unit and Konica Minolta Opto (Dalian) Co., Ltd. of the optical components unit, and one-time expenses associated with the global structural reforms and others.

Revenue in the sensing unit went down year-on-year. Revenue of light source color measurement instruments decreased due to the slowdown of demand, affected by restrained capital investments in displays mainly by major customers as well as intensified competition for some applications. Revenue of object color measurement instruments was on par with the previous fiscal year. Revenue of measurement instruments applying hyperspectral imaging technology increased due to strong sales of products, especially for recycling applications. The measurement instruments for automotive visual inspections saw steady sales, resulting in an increase in revenue.

In the performance materials unit, revenue decreased year-on-year. Revenue of SANUQI-VA of COP films increased due to the expansion of demand and increased adoption for customers as a result of the shift from TAC (cellulose triacetate) films to COP (cyclic olefin polymer) films due to the increase in the size of TV and others, while revenue of mainstay TAC films decreased. In addition, revenue of thin films for IT devices decreased due to the stagnation of the panel market for IT devices and revenue of thin films for smartphones progressed steadily.

In the IJ components unit, revenue increased year-on-year, due to the impact of foreign exchange rates. In the printheads for sign graphics printer, although sales in China slowed due to the impact of economic downturn, sales remained steady in Europe, the United States, South Korea, and India, resulting in an increase in revenue as a whole. In the industrial application in growth areas, the Company's proprietary long throw distance inkjet printhead for printing application on cardboard was launched in December 2024 and the Company is approaching new customers and promoting the expansion of the application.

In the optical components unit, revenue of lenses for projector increased due to the market recovery; however, revenue of pick-up lenses used in Blue-ray and others and exchange lenses, and similar devices decreased, resulting in a decrease in revenue year-on-year. On the other hand, in the field of industrial applications, on which the Company focuses, the demand of products for semiconductor manufacturing equipment increased and revenue increased more than the expectations. The Company is promoting efforts to strengthen the production system by reinforcing facilities and adding a new base for ultra-precision processing facilities for future business expansion.

iv. Imaging Solutions Business

The Imaging Solutions Business recorded a revenue of 106.9 billion yen (an increase of 1.7% year-on-year). Business contribution profit of the imaging-IoT solutions unit and the visual solutions unit increased; however in the healthcare unit, business contribution profit decreased due to a decline in demand of X-ray film in China, the impact of continued investment restraint in Japanese hospitals, and the impact of the calculation of elimination of unrealized gains in the aforementioned consolidated adjustments. As a result, the business contribution loss was 10.3 billion yen (compared to a business contribution loss of 8.3 billion yen in the previous fiscal year). The operating loss amounted to 25.9 billion yen (compared to an operating loss of 10.9 billion yen in the previous fiscal year) due to the loss related to the execution of share transfer agreement of MOBOTIX AG amounted to 10.4 billion yen and the impairment loss amounted to 5.5 billion yen recognized in the healthcare unit.

The healthcare unit saw a decrease in revenue year-on-year. Revenue decreased due to a decline in demand of X-ray film in China. Revenue of DR saw a decrease in Japan but growth primarily in the United States and Asia and increased as a whole. Sales of healthcare IT remained strong in Japan and the United States.

The imaging-IoT solutions unit recorded an increase in revenue year-on-year. Revenue of the video solution services combining network cameras at sales companies progressed steadily in Europe and the United States. In addition, sales of Force Security Solutions, LLC (headquartered in the United States), the system integrator acquired in 2023, continued to be strong.

The visual solutions unit saw an increase in revenue year-on-year. Customer traffic at the directly managed planetariums in the domestic business remained strong.

c. Performance Forecasts for the Fiscal Year Ending March 31, 2026

For the fiscal year ending March 31, 2026 (the "next fiscal year"), the Company expects that the risks of uncertainty in the business environment such as the economic slowdown and the price increases, mainly in Europe and the United States, and the foreign exchange rate fluctuation will increase. Amidst such circumstances, the Company expects a gradual fall in print volumes in the office unit due to changes in working styles. On the other hand, the Company will strengthen its profitability, while improving asset efficiency and generating cash by further cost reduction through the provision of the MFP connected applications and services, DX-driven manufacturing innovations, and reduction of fixed costs. In the production print unit and the industrial print unit of the Professional Print Business, the Company expects that the trend of the shift from the offset printing to the digital printing will not change and the market will grow driven by the demand primarily from medium and large-sized printing companies in the medium term. Furthermore, the Company also recognizes the risk of prolonged negotiations with some customers due to the impact of the economic slowdown mainly in Europe and the United States.

In the office and production print units, the Company actively promotes the business partnership with other companies for procurement, toner development, and production with the purpose of improving investment efficiency and cost competitiveness, stable supply, meeting environmental standards, and strengthening business continuity capabilities.

In the healthcare unit, the Company aims to grow the Dynamic Digital Radiography system in addition to the X-ray-related equipment. To improve the quality and efficiency of medical services, the growth of medical IT services and the increasing demand due to the economic growth in India and Asia are expected.

In the Industry Business, while capital investment by customers in display measurement instruments for smartphones in the sensing unit continued to be curtailed, the Company expects the development of new display technologies to progress and will focus on capturing anticipatory demand. In the performance materials unit, it is expected to continue growing, mainly for large display.

In addition to these market trends, the Company expects an increase in business contribution profit and significant increases in operating profit and profit attributable to owners of the Company by improving profit through the business selection and concentration implemented up to the current fiscal year and capturing the effects of global structural reforms, as well as the continuous business growth. Therefore, the Company will achieve the ROE of 5%, the management target set forth in the Medium-term Business Plan.

With regard to the increase in tariffs in the United States, the Company will closely monitor the situation and strive to mitigate the impact by implementing necessary measures. In addition, since the calculation of elimination of unrealized gains in the aforementioned consolidated adjustments has been completed during the current fiscal year, there will be no impact on the performance forecasts for the next fiscal year.

Based on the comprehensive consideration of the performance forecasts for the next fiscal year, various measures, and the business environment, the annual dividend forecast for the next fiscal year will be 10 yen per share per year.

The exchange rate assumptions that form the basis of results forecasts for the next fiscal year have been set to [¥145 to the U.S. dollar and ¥150 to the euro], with forecasts as follows:

	Fiscal year ended March 31, 2025	Forecast for the fiscal year ending March 31, 2026
Revenue	Billions of yen 1,127.8	Billions of yen 1,050.0
Business contribution profit (Note 1)	31.9	52.5
Operating profit (loss)	(64.0)	48.0
Profit (loss) attributable to owners of the Company	(47.4)	24.0
ROE (Note 2)	% −9.5	% 5.0

(Notes)

1. The profit measure that is calculated by deducting the cost of sales and selling, general and administrative expenses from revenue.
2. Profit (loss) attributable to owners of the Company divided by equity attributable to owners of the Company (average of beginning and ending balances).

* The above operating performance forecasts are based on future-related suppositions, outlooks, and plans at the time this report was released, and they involve risks and uncertainties. It should be noted that actual results may differ significantly from these forecasts due to various important factors, such as changes in economic conditions, market trends, and currency exchange rates.

(2) Overview of Consolidated Financial Position

a. Analysis of Consolidated Financial Position

	As of March 31, 2024	As of March 31, 2025	Increase (Decrease)
	Billions of yen	Billions of yen	Billions of yen
Total assets	1,388.0	1,217.6	(170.4)
Total liabilities	834.6	743.5	(91.1)
Total equity	553.3	474.0	(79.3)
Equity attributable to owners of the Company	539.8	463.1	(76.6)
	Yen	Yen	Yen
Equity per share attributable to owners of the Company	1,091.68	935.99	(155.69)
	%	%	%
Equity ratio attributable to owners of the Company	38.9	38.0	−0.9

Total assets as of March 31, 2025, were 1,217.6 billion yen, a decrease of 170.4 billion yen (12.3%) from March 31, 2024. This is primarily attributed to a decrease of 99.6 billion yen in goodwill and intangible assets, a decrease of 37.2 billion yen in cash and cash equivalents, a decrease of 29.8 billion yen in trade and other receivables, a decrease of 16.6 billion yen in property, plant and equipment, a decrease of 11.4 billion yen in inventories, a decrease of 10.3 billion yen in assets held for sale, an increase of 34.0 billion yen in other financial assets, and an increase of 6.6 billion yen in other non-current assets.

Total liabilities as of March 31, 2025, were 743.5 billion yen, a decrease of 91.1 billion yen (10.9%) from March 31, 2024. This is primarily attributed to a decrease of 83.3 billion yen in bonds and borrowings, a decrease of 23.1 billion yen in trade and other payables, a decrease of 5.7 billion yen in other current liabilities, an increase of 15.7 billion yen in provisions, and an increase of 5.0 billion yen in liabilities directly associated with assets held for sale.

Total equity as of March 31, 2025, was 474.0 billion yen, a decrease of 79.3 billion yen (14.3%) from March 31, 2024.

Equity attributable to owners of the Company was 463.1 billion yen as of March 31, 2025, a decrease of 76.6 billion yen (14.2%) from March 31, 2024. This is primarily attributed to the recording of a loss attributable to owners of the Company of 47.4 billion yen and a decrease of 25.3 billion yen in other components of equity (primarily exchange differences on translation of foreign operations).

As a result of the above, the equity per share attributable to owners of the Company was 935.99 yen, and the equity ratio attributable to owners of the Company decreased by 0.9 percentage points to 38.0%.

b. Analysis of Consolidated Cash Flows

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Increase (Decrease)
	Billions of yen	Billions of yen	Billions of yen
Cash flows from operating activities	83.3	51.0	(32.2)
Cash flows from investing activities	(44.5)	24.6	69.1
Total (Free cash flows)	38.8	75.7	36.8
Cash flows from financing activities	(96.8)	(110.8)	(14.0)

For the current fiscal year, net cash provided by operating activities was 51.0 billion yen, and net cash provided in investing activities totaled 24.6 billion yen. As a result, free cash flows (the sum of cash flows from operating activities and investing activities) were an inflow of 75.7 billion yen for the current fiscal year.

Net cash used in financing activities was 110.8 billion yen.

In addition, cash and cash equivalents as of March 31, 2025, decreased by 36.7 billion yen from March 31, 2024, to 92.8 billion yen, reflecting the effect of exchange rate fluctuations on cash and cash equivalents.

Cash flows from operating activities

Net cash provided by operating activities was 51.0 billion yen. On top of the loss before tax of 79.1 billion yen and profit before tax from discontinued operation of 42.6 billion yen, this is attributable to net effects of an increase in cash flows due to depreciation and amortization expenses of 74.5 billion yen, an impairment loss of 52.5 billion yen, and cash outflows mainly due to impairment losses and reversal of impairment losses in assets held for sale of discontinued operation of 24.3 billion yen and a decrease in trade and other payables of 8.5 billion yen.

Cash flows from investing activities

Net cash provided in investing activities was 24.6 billion yen, due to proceeds from sales of subsidiaries of 66.1 billion yen, the purchases of property, plant and equipment of 25.7 billion yen, and the purchases of intangible assets of 15.5 billion yen.

As a result, free cash flows (the sum of cash flows from operating activities and investing activities) were an inflow of 75.7 billion yen (an inflow of 38.8 billion yen in the previous fiscal year).

Cash flows from financing activities

Net cash used in financing activities was 110.8 billion yen (net cash outflow of 96.8 billion yen in the previous fiscal year), reflecting cash outflows of a net decrease in short-term loans payable of 79.9 billion yen, 33.2 billion yen in the redemption of bonds and repayments of long-term loans payable, repayments of lease liabilities of 22.0 billion yen, and cash inflows of bonds issuance and long-term payable of 28.2 billion yen.

* Amounts less than 100 million yen in the “1. OVERVIEW OF FINANCIAL RESULTS” section have been omitted.

2. ISSUES TO BE ADDRESSED

Based on Our Philosophy "The Creation of New Value," The Company aims to contribute to solving customers and societal challenges by leveraging imaging technologies to co-create value with customers across a wide range of industries and business types.

1. Achieving an ROE of 5% or higher (FY 2025)

Fiscal year 2025 is positioned as a year to establish a foundation for growth under the slogan "Turn Around 2025." The Company aims to achieve a recovery in profitability, targeting revenue of 1,050.0 billion yen, and business contribution profit of 52.5 billion yen, operating profit of 48.0 billion yen, and profit attributable to owners of the Company of 24.0 billion yen, building on business expansion and profit improvement effects from the management reform completed in fiscal year 2024. Through these efforts, the Company aims to achieve an ROE of 5% or higher, as set forth in the Medium-term Business Plan.

The external environment in fiscal year 2025 is expected to be influenced globally by the impact of reciprocal tariff measures in the United States. To mitigate these effects, the Company will continue to monitor the situation closely and implement countermeasures, including a review of Go To Market strategies, additional cost reduction, and further consideration of shifting production to countries with lower tariff rates.

Reinforcement of profit foundation

In order to reinforce profit foundation, in addition to the effects of the global structural reforms and the business selection and concentration implemented in fiscal year 2024, further improvements will be pursued through the following initiatives in each business segment.

Although the office unit of the Digital Workplace Business is likely to see a decline in revenue, including the impact of foreign exchange rates, it will focus on enhancing profitability through the creation of global structural reform effects, cost reduction, and improving efficiency in production, sales, and services by utilizing DX.

In the Professional Print Business, the production print unit aims to maintain the No.1 market share in the Heavy Production Printer (HPP) through the introduction of new products, and expand non-hardware revenue through the promotion of the Mid Production Printer (MPP), primarily targeting mid-to-large commercial printing customers. The industrial print unit will maintain the No.1 market share in digital label printing machine and accelerate market expansion. Furthermore, the introduction of new UV inkjet printer models will accelerate the digital transformation of the market, with the goal of achieving profitability in fiscal year 2025.

In the Industry Business, the sensing unit expects improved earnings driven by a recovery in customers' capital investment in display manufacturing equipment, as well as increased sales of measurement instruments applying automotive visual inspections and hyperspectral imaging technology. In the performance materials unit, production capacity for the new resin film SANUQI, which is experiencing increased demand, has been strengthened. Additionally, the launch of the new material film SAZMA will aim to further expand market share in the large-screen TVs area.

In the Imaging Solutions Business, the healthcare unit will continue to expand the X-ray dynamic radiography system only offered by the Company in the world, while capturing opportunities for digitalization of medical IT, particularly in regions such as India and Asia, working to improve profitability.

Reinforcement of financial foundation

As part of structural reforms, proceeds from business transfers resulting from the business selection and concentration will be utilized to significantly reduce interest-bearing debt, with a target of approximately 194.0 billion yen reduction by the end of fiscal year 2025 compared to fiscal year 2022. Additionally, due to impairment losses recorded in fiscal year 2024, goodwill has been reduced to approximately 126.0 billion yen as of the end of fiscal year 2024. Efforts to optimize working capital through the streamlining of inventories and trade receivables are also underway to reduce total assets. By enhancing financial foundation through the recovery of business profitability, reduction of interest-bearing debt to lower financial expenses, and normalization of the effective tax rate through turning unprofitable subsidiaries profitable, an ROE of 5% or higher is targeted.

2. Strengthening the scenario for future growth by Fiscal Year 2025

Achieving No. 1 position

As the first step in business growth, the goal is to develop products and services within each existing business that can achieve a No.1 position in their respective market segments or domains. For products and services that already hold a leading position, efforts will be made to maintain that No.1 status.

Nurturing the growth seeds for profit growth

The Company will continue to place sustainability at the center of its management. The sustainability the Company aims for is "to create value through its business activities that solve issues faced by customers and society, thereby contributing to the realization of a sustainable society and the growth of the Company." In the course of working toward a sustainable society, a variety of business opportunities are emerging for the Company. From among these, the Company will carefully select themes that leverage our strengths—such as technology, human resources, and connections with customers—and translate them into growth.

Specifically, new growth themes are being cultivated to drive long-term profit expansion by enhancing core technologies—such as precision machining, plastic molding, casting, and spectrometry technology—through the application of AI. Optical components for semiconductor manufacturing equipment, developed within the Industry Business, are already being deployed as a strengthening business, and production capacity will be strengthened through facility investments in fiscal year 2025. Additionally, areas such as recycled plastic production, barrier films for perovskite solar cells, and process monitoring for biomanufacturing are considered as “growth seeds.” From among various technological themes, selections are made based on evaluations of market growth potential, the likelihood of establishing a competitive advantage, and the feasibility of generating business profitability. Appropriate investments are being made to develop these into businesses that contribute to profit growth. Aiming for medium-to long-term profit growth, early contribution to earnings will be realized through nurturing these growth seeds.

Toward a TSR-focused management approach to achieve a PBR of 1.0x

Fiscal year 2025 marks the final year of the current Medium-term Business Plan. The immediate priority is to ensure the achievement of an ROE of 5%, with the aim of further improving ROE during the next medium-term period starting in fiscal year 2026. A decision has also been made to introduce total shareholder return (TSR) as a performance evaluation indicator for executive stock compensation, with the evaluation period starting in fiscal year 2025. By shifting toward a management approach that emphasizes TSR (Total Shareholder Return) and enhancing corporate value, the Company aims to achieve a PBR of 1.0x at an early stage.

3. BASIC VIEWS ON SELECTION OF ACCOUNTING STANDARDS

The Group has voluntarily adopted the IFRS for its consolidated financial statements in order to unify accounting methods within the Group and improve the international comparability of financial information disclosed to the capital markets.

4. CONSOLIDATED FINANCIAL STATEMENTS AND RELATED NOTES

(1) Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	127,134	89,904
Trade and other receivables	319,518	289,640
Inventories	219,065	207,644
Income tax receivables	3,642	2,736
Other financial assets	858	35,766
Other current assets	37,316	35,769
Subtotal	707,536	661,461
Assets held for sale	36,689	26,344
Total current assets	744,225	687,805
Non-current assets		
Property, plant and equipment	282,225	265,618
Goodwill and intangible assets	270,980	171,327
Investments accounted for using the equity method	88	1,019
Other financial assets	21,781	20,900
Deferred tax assets	32,166	27,697
Other non-current assets	36,585	43,272
Total non-current assets	643,827	529,835
Total assets	1,388,052	1,217,641

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Trade and other payables	193,838	170,722
Bonds and borrowings	198,327	129,668
Lease liabilities	20,418	18,551
Income tax payables	3,543	3,202
Provisions	10,820	26,256
Other financial liabilities	3,625	415
Other current liabilities	63,223	57,476
Subtotal	493,796	406,292
Liabilities directly associated with assets held for sale	10,718	15,760
Total current liabilities	504,515	422,053
Non-current liabilities		
Bonds and borrowings	228,306	213,616
Lease liabilities	75,529	76,334
Retirement benefit liabilities	8,525	16,656
Provisions	7,863	8,149
Other financial liabilities	2,319	1,140
Deferred tax liabilities	3,435	2,530
Other non-current liabilities	4,174	3,080
Total non-current liabilities	330,154	321,509
Total liabilities	834,669	743,562
Equity		
Share capital	37,519	37,519
Share premium	203,831	203,899
Retained earnings	167,927	116,401
Treasury shares	(8,886)	(8,652)
Share acquisition rights	250	188
Other components of equity	139,175	113,798
Equity attributable to owners of the Company	539,816	463,154
Non-controlling interests	13,566	10,924
Total equity	553,382	474,079
Total liabilities and equity	1,388,052	1,217,641

(2) Consolidated Statements of Profit or Loss

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Continuing Operations		
Revenue	1,107,705	1,127,882
Cost of sales	632,603	648,462
Gross profit	475,101	479,420
Other income	8,032	12,028
Selling, general and administrative expenses	441,766	447,492
Other expenses	13,824	107,970
Operating profit (loss)	27,543	(64,014)
Finance income	3,096	3,273
Finance costs	15,068	18,420
Share of profit (loss) of investments accounted for using the equity method	(236)	4
Profit (loss) before tax	15,334	(79,156)
Income tax expense (income)	9,814	16,229
Profit (loss) from Continuing Operations	5,520	(95,386)
Discontinued Operation		
Profit (loss) from Discontinued Operation	(1,321)	45,069
Profit (loss) for the year	4,199	(50,316)
Profit (loss) attributable to:		
Owners of the Company	4,521	(47,484)
Non-controlling interests	(321)	(2,832)
Earnings (loss) per share	Yen	Yen
Basic	9.15	(95.98)
Continuing Operations	11.59	(186.71)
Discontinued Operation	(2.45)	90.73
Diluted	9.12	(95.98)
Continuing Operations	11.57	(186.71)
Discontinued Operation	(2.44)	90.73

(3) Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit (loss) for the year	4,199	(50,316)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit pension plans (net of tax)	(1,351)	(1,368)
Net gain (loss) on revaluation of financial assets measured at fair value (net of tax)	2,622	1,035
Total items that will not be reclassified to profit or loss	1,271	(333)
Items that may be subsequently reclassified to profit or loss		
Net gain (loss) on derivatives designated as cash flow hedges (net of tax)	(507)	152
Exchange differences on translation of foreign operations (net of tax)	48,814	(26,418)
Share of other comprehensive income of investments accounted for using the equity method (net of tax)	—	2
Total items that may be subsequently reclassified to profit or loss	48,307	(26,263)
Total other comprehensive income (loss)	49,578	(26,596)
Total comprehensive income (loss)	53,778	(76,913)
Total comprehensive income (loss) attributable to:		
Owners of the Company	52,545	(74,388)
Non-controlling interests	1,233	(2,524)

(4) Consolidated Statements of Changes in Equity

(Millions of yen)

	Share capital	Share premium	Retained earnings	Treasury shares	Share acquisition rights	Other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of April 1, 2023	37,519	204,154	164,682	(9,358)	427	89,999	487,424	12,453	499,877
Profit (loss) for the year	—	—	4,521	—	—	—	4,521	(321)	4,199
Other comprehensive income (loss)	—	—	—	—	—	48,023	48,023	1,555	49,578
Total comprehensive income (loss)	—	—	4,521	—	—	48,023	52,545	1,233	53,778
Dividends	—	—	—	—	—	—	—	(120)	(120)
Acquisition and disposal of treasury shares	—	—	(125)	472	—	—	347	—	347
Share-based payments	—	(86)	—	—	(177)	—	(264)	—	(264)
Equity and other transactions with non-controlling shareholders	—	(80)	—	—	—	—	(80)	—	(80)
Put options written on non-controlling interests	—	(155)	—	—	—	—	(155)	—	(155)
Transfer from other components of equity to retained earnings	—	—	(1,151)	—	—	1,151	—	—	—
Total transactions with owners	—	(322)	(1,277)	472	(177)	1,151	(153)	(120)	(273)
Balance as of March 31, 2024	37,519	203,831	167,927	(8,886)	250	139,175	539,816	13,566	553,382

(Millions of yen)

	Share capital	Share premium	Retained earnings	Treasury shares	Share acquisition rights	Other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of March 31, 2024	37,519	203,831	167,927	(8,886)	250	139,175	539,816	13,566	553,382
Profit (loss) for the year	–	–	(47,484)	–	–	–	(47,484)	(2,832)	(50,316)
Other comprehensive income (loss)	–	–	–	–	–	(26,904)	(26,904)	308	(26,596)
Total comprehensive income (loss)	–	–	(47,484)	–	–	(26,904)	(74,388)	(2,524)	(76,913)
Dividends	–	–	(2,472)	–	–	–	(2,472)	(158)	(2,630)
Acquisition and disposal of treasury shares	–	–	(40)	233	–	–	192	–	192
Share-based payments	–	68	–	–	(61)	–	6	–	6
Changes in the scope of consolidation	–	–	–	–	–	–	–	41	41
Equity and other transactions with non-controlling shareholders	–	0	–	–	–	–	0	–	0
Transfer from other components of equity to retained earnings	–	–	(1,528)	–	–	1,528	–	–	–
Total transactions with owners	–	68	(4,041)	233	(61)	1,528	(2,273)	(117)	(2,390)
Balance as of March 31, 2025	37,519	203,899	116,401	(8,652)	188	113,798	463,154	10,924	474,079

(5) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit (loss) before tax	15,334	(79,156)
Profit (loss) before tax from Discontinued Operation	(1,768)	42,687
Depreciation and amortization expense	75,774	74,588
Impairment losses and reversal of impairment losses	1,231	52,548
Share of (profit) loss of investments accounted for using the equity method	236	(4)
Interest and dividends income	(3,032)	(3,181)
Interest expenses	12,805	11,961
(Gain) loss on sales and disposals of property, plant and equipment, and intangible assets	1,861	4,619
(Increase) decrease in trade and other receivables	26,534	(1,375)
(Increase) decrease in inventories	38,820	6,947
Increase (decrease) in trade and other payables	(24,261)	(8,599)
Decrease due to transfer of rental assets	(7,263)	(7,368)
Increase (decrease) in retirement benefit liabilities	(15)	47
Impairment losses and reversal of impairment losses in assets held for sale	776	11,907
Impairment losses and reversal of impairment losses in assets held for sale of discontinued operation (Gain on reversal of impairment losses)	(3,634)	(24,359)
Others	(34,761)	(13,437)
Subtotal	98,637	67,825
Dividends received	585	339
Interest received	2,984	2,576
Interest paid	(12,973)	(11,972)
Income taxes (paid) refunded	(5,895)	(7,675)
Net cash provided by (used in) operating activities	83,338	51,093

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(27,262)	(25,794)
Purchase of intangible assets	(17,864)	(15,569)
Proceeds from sales of property, plant and equipment, and intangible assets	922	3,321
Purchase of subsidiaries	(1,409)	(699)
Payments for sales of subsidiaries	—	(1,935)
Proceeds from sales of subsidiaries	—	66,112
Proceeds from sales of investment securities	2,693	737
Payments for transfer of business	(112)	—
Others	(1,501)	(1,564)
Net cash provided by (used in) investing activities	(44,534)	24,607
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	(55,541)	(79,954)
Proceeds from bonds issuance and long-term loans payable	40,292	28,289
Redemption of bonds and repayments of long-term loans payable	(27,793)	(33,255)
Repayments of lease liabilities	(21,593)	(22,086)
Cash dividends paid	(13)	(2,353)
Payment of dividends to non-controlling interests	(120)	(158)
Proceeds from stock issuance to non-controlling interests	—	41
Payments for acquisition of interests in subsidiaries from non-controlling interests	(32,082)	—
Others	(1)	(1,383)
Net cash provided by (used in) financing activities	(96,853)	(110,861)
Effect of exchange rate changes on cash and cash equivalents	7,107	(1,583)
Net increase (decrease) in cash and cash equivalents	(50,942)	(36,744)
Cash and cash equivalents at the beginning of the year	180,574	129,631
Cash and cash equivalents at the end of the year	129,631	92,887

(6) Notes to the Consolidated Financial Statements

[Notes Regarding Going Concern Assumptions]

Not Applicable.

[Change in Presentation]

[Discontinued operation]

In the current fiscal year, the Company has classified the Precision Medicine Business as a discontinued operation. As a result, the consolidated statements of profit or loss, the consolidated statements of cash flows, and the related notes to the consolidated financial statements for the previous fiscal year have been partially reclassified to align with the presentation format for the current fiscal year.

[Consolidated statements of cash flows]

"Impairment losses and reversal of impairment losses in assets held for sale" included in "Others" in "Cash flows from operating activities" for the previous fiscal year have been presented separately in the current fiscal year, distinguishing between continuing and discontinued operations as they have become more significant. To reflect this change in presentation, the amount of (2,858) million yen included in "Others" in "Cash flows from operating activities" in the consolidated statements of cash flows for the previous fiscal year has been reclassified as "Impairment losses and reversal of impairment losses in assets held for sale" of 776 million yen and "Impairment losses and reversal of impairment losses in assets held for sale of discontinued operation" of (3,634) million yen.

[Change in Accounting Estimates]

The Company recognized an impairment loss of 51,109 million yen during the fiscal year ended March 31, 2025. The carrying amounts of the cash-generating units were reduced to their recoverable amounts. The details are as follows:

Radiant Vision Systems, LLC and Instrument Systems GmbH, both of which belong to the sensing unit of the Industry Business, due to the impact of major customers' large-scale capital investment restraint and increased competition in certain applications, deteriorated in operating profit and indications of impairment were identified. As a result of the impairment test, impairment losses on goodwill of 16,907 million yen for Radiant Vision Systems, LLC and 6,742 million yen for Instrument Systems GmbH were recognized because the recoverable amount was lower than the carrying amount.

In the cash-generating unit group, which consists of MGI Digital Technology S.A. (hereinafter MGI), a French printing equipment manufacturer, and other subsidiaries in the Industrial Printing Unit of the Professional Printing Business, the recoverable amount used to be calculated based on the value in use. However, during the fiscal year ended March 31, 2025, the value in use was lower than the fair value less disposal costs because the business plan was revised in light of declining demand due to restrained investment in the U.S. and lower gross profit margins due to higher labor and material costs. As a result, an impairment loss of 13,904 million yen was recognized for goodwill (including goodwill arising from acquisitions conducted by MGI after the acquisition of MGI by the Company; hereinafter the same) and related non-current assets (the impairment losses on goodwill of 6,307 million yen, property, plant and equipment of 3,685 million yen and intangible assets of 3,911 million yen) because the recoverable amount was lower than the carrying amount based on the estimated recoverable amount at fair value less disposal costs.

In the healthcare unit of the Imaging Solutions Business, due to a decline in demand for X-ray film in China, operating profit deteriorated and indications of impairment were identified. As a result of the impairment test, an impairment loss of 5,489 million yen was recognized mainly on related non-current assets of the Company (the impairment losses on property, plant and equipment of 2,164 million yen, intangible assets of 3,311 million yen and other non-current assets of 12 million yen) because the recoverable amount was lower than the carrying amount.

In addition, three consolidated subsidiaries which belong to the DW-DX unit of the Digital Workplace Business, due to economic slump and increased competition, deteriorated in operating profit and the recoverable amount was lower than the carrying amount. As a result, an impairment loss of 2,524 million yen was recognized for goodwill and related non-current assets (the impairment losses on goodwill of 2,302 million yen, property, plant and equipment of 175 million yen and intangible assets of 47 million yen).

[Other Income]

Components of other income are as follows:

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Gain on sales of property, plant and equipment and intangible assets	219	2,602
Gain on sales of subsidiaries' equity	—	2,246
Settlement income	—	1,646
Insurance income	1,198	330
Proceeds from sale of trial products	1,253	188
Gain on revision of retirement benefit plan	1,061	—
Others	4,298	5,013
Total	8,032	12,028

[Other Expenses]

Components of other expenses are as follows:

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Impairment losses	4,164	51,109
Business structure improvement expenses	894	21,621
Impairment losses regarding assets held for sale	776	12,030
Provision for business transfer loss	—	8,592
Loss on sales and disposals of property, plant and equipment and intangible assets	1,984	6,806
Cost of sale of trial products	955	95
Others	5,049	7,715
Total	13,824	107,970

[Segment Information]

(a) Reportable segments

Operating segments of the Group are its components for which separate financial data is available and that are examined on a regular basis for the purpose of enabling the Group's management to decide on the allocation of resources and evaluate the results of operations. The Group has established business units by product and service category and formulates comprehensive strategies and conducts business activities in Japan and overseas for the products and services of each business unit.

Previously, the Group comprised operating segments organized by product and service category based on each business unit, and based on the operating segments, the Group established four reportable segments as the "Digital Workplace Business," "Professional Print Business," "Healthcare Business," and "Industry Business" by taking into account the primary usage of products of the respective businesses in the markets and their similarities.

Effective from the fiscal year ended March 31, 2025, the Group reclassified business into five reportable segments: "Digital Workplace Business," "Professional Print Business," "Industry Business," "Imaging Solutions Business," and "Precision Medicine Business" in order to accelerate the business selection and concentration, and ensure the execution of the Medium-term Business Plan, while taking into account the primary usage of products of the respective businesses in the markets and their similarities. In addition, FORXAI and QOL solutions, which were previously included in "Others" have been spun off as units and included in the "Imaging Solutions Business."

Effective from the nine months ended December 31, 2024, the Group has reclassified business into four reportable segments: "Digital Workplace Business," "Professional Print Business," "Industry Business," and "Imaging Solutions Business." This change is due to the classification of the "Precision Medicine Business" as a discontinued operation. More details about the discontinued operation are provided in "[Discontinued Operation]."

In addition, the segment information for the previous fiscal year ended March 31, 2024, is also disclosed based on the figures after reflecting the above changes.

Businesses of each reportable segment are described as follows:

		Business content
Business Technologies Business (Note)	Digital Workplace Business	Office Development, manufacture, and sales of MFPs and related consumables; provision of related services and solutions
		DW-DX Provision of IT services and solutions
	Professional Print Business	Production Print Development, manufacture, and sales of digital printing systems and related consumables for the commercial printing market
		Industrial Print Development, manufacture, and sales of digital printing systems and related consumables for the industrial printing market
		Marketing Services Provision of various printing services and solutions
Industry Business		Sensing Development, manufacture, and sales of measuring instruments and others; provision of related solutions and services
		Performance Materials Development, manufacture, and sales of functional films for displays and others
		Inkjet (IJ) Components Development, manufacture, and sales of industrial inkjet printheads and others
		Optical Components Development, manufacture, and sales of lenses for industrial and professional use and others
Imaging Solutions Business		Healthcare Development, manufacture, and sales of diagnostic imaging systems for medical use; provision of related services; provision of digitalization, networking, diagnostic services, and solutions in medical field
		Imaging-IoT Solutions Development, manufacture, and sales of network cameras; provision of related solutions and services
		Visual Solutions Development, manufacture, and sales of visual-related equipment; provision of related solutions and services
		FORXAI Development, manufacture, sales, and provision of services of solutions utilizing the common fundamental technology “FORXAI”
		QOL Solutions Development, sales, and consulting of products, information systems, and services related to nursing care services

(Note) It is the name of an internal organization that manages the Digital Workplace Business and the Professional Print Business.

(b) Information by reportable segment

Information by reportable segment of the Group is as follows. Segment profit refers to the operating profit of the segment.

Fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments					Others	Adjustments (Note 2) (Note 3) (Note 4)	Total
	Business Technologies Business		Industry Business	Imaging Solutions Business	Total			
	Digital Workplace Business	Professional Print Business						
Revenue								
External	614,928	263,370	123,588	105,154	1,107,041	664	—	1,107,705
Intersegment (Note 1)	3,951	56	5,199	782	9,989	16,279	(26,268)	—
Total	618,879	263,426	128,788	105,936	1,117,030	16,943	(26,268)	1,107,705
Segment profit (loss)	32,984	11,637	16,565	(10,904)	50,282	1,001	(23,740)	27,543
Other items								
Depreciation and amortization expenses	33,504	14,261	7,961	7,286	63,014	73	6,039	69,127
Impairment losses on non-financial assets	18	2,129	—	2,015	4,164	—	—	4,164

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments					Others	Adjustments (Note 2) (Note 3) (Note 4)	Total
	Business Technologies Business		Industry Business	Imaging Solutions Business	Total			
	Digital Workplace Business	Professional Print Business						
Revenue								
External	616,365	284,668	119,259	106,915	1,127,208	674	—	1,127,882
Intersegment (Note 1)	4,069	178	5,193	907	10,348	15,138	(25,486)	—
Total	620,434	284,846	124,453	107,822	1,137,556	15,812	(25,486)	1,127,882
Segment profit (loss)	13,976	(13,197)	(12,749)	(25,948)	(37,919)	932	(27,027)	(64,014)
Other items								
Depreciation and amortization expenses	34,193	15,698	7,693	6,233	63,819	97	6,650	70,566
Impairment losses on non-financial assets	2,524	13,939	28,283	5,489	50,237	—	871	51,109

(Notes)

1. Intersegment revenue is based on market prices and others.
2. Adjustments of revenue are elimination of intersegment transactions.
3. Adjustments of segment profit are elimination of intersegment transactions and corporate expenses, which consist of general and administrative expenses and basic research expenses not attributable to any of the reportable segments or “Others.” They include other revenue and other expenses not attributable to any of the reportable segments.
4. Adjustments of depreciation and amortization expenses and impairment losses on non-financial assets are mainly related to equipment not attributable to any of the reportable segments.

(c) Information about geographical areas

Revenues from external customers by geographical area are as follows:

(Millions of yen)

Revenue	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Japan	175,012	173,046
USA	293,805	298,680
Europe	344,196	353,730
China	107,077	103,151
Asia	107,193	117,570
Others	80,420	81,703
Total	1,107,705	1,127,882

(Note) Revenues are classified based on customers' country of residence; however, when revenues from individual countries are not material, they are categorized by geographical area.

Carrying amounts of non-current assets (excluding financial assets, deferred tax assets, and post-retirement benefit assets) by geographical area are as follows:

(Millions of yen)

Non-current assets	As of March 31, 2024	As of March 31, 2025
Japan	239,737	238,246
USA	153,601	80,795
Europe	127,201	93,077
China	16,054	11,215
Asia	16,030	15,807
Others	6,099	4,030
Total	558,725	443,172

(d) Information about major customers

There was no revenue from transactions with a single external customer that accounts for 10% or more of the Group's revenues.

[Cash and Cash Equivalents]

Cash and cash equivalents at the end of the period in the consolidated statements of cash flows are as follows:

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash and cash equivalents in the consolidated statements of financial position	127,134	89,904
Cash and cash equivalents included in assets held for sale	2,496	2,983
Cash and cash equivalents in the consolidated statements of cash flows	129,631	92,887

[Non-current Assets or Disposal Groups Held for sale]

Assets and liabilities classified as held for sale are as follows:

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
<Assets>		
Cash and cash equivalents	2,496	2,983
Trade and other receivables	5,010	15,065
Inventories	4,533	3,667
Income tax receivables	—	1
Other financial assets (current)	2	496
Other current assets	592	2,323
Property, plant and equipment	11,194	1,287
Goodwill and intangible assets	12,221	—
Other financial assets (non-current)	407	7
Deferred tax assets	209	498
Other non-current assets	20	11
Total assets	36,689	26,344
<Liabilities>		
Trade and other payables	3,374	10,827
Bonds and borrowings (current)	—	961
Lease liabilities (current)	468	581
Income tax payables	89	169
Provisions (current)	1,477	501
Other financial liabilities (current)	—	223
Other current liabilities	1,835	1,668
Bonds and borrowings (non-current)	—	108
Lease liabilities (non-current)	3,221	—
Retirement benefit liabilities	—	75
Provisions (non-current)	253	—
Deferred tax liabilities	—	642
Total liabilities	10,718	15,760
<Other components of equity>		
Net gain (loss) on derivatives designated as cash flow hedges	—	8
Exchange differences on translation of foreign operations	6,243	523
Total other components of equity	6,243	531

[Transfer of equity capital in strategic business alliance in optical components unit]

In the previous fiscal year, in the optical components unit included in the Industry Business, the Company decided to transfer 80% of its equity capital in two Chinese manufacturing subsidiaries, Konica Minolta Opto (Dalian) Co., Ltd. (Headquarters: Dalian, Liaoning Province, China) and Konica Minolta Optical Products (Shanghai) Co., Ltd. (Headquarters: Shanghai, China), to Guangzhou Luxvisions Innovation Technology Limited (Headquarters: Guangzhou, Guangdong Province, China), a major electronic components manufacturer in China, and entered into an equity purchase agreement as of October 20, 2023.

Accordingly, the assets and liabilities of the two companies were classified as disposal groups held for sale. For the disposal groups classified as held for sale, since the fair value less costs to sell is lower than the carrying amounts, the assets and liabilities are measured at fair value less costs to sell. The loss of 776 million yen recognized as a result of this measurement is recognized in "Other expenses" in the consolidated statements of profit or loss. The fair value is based on the selling price, and the fair value hierarchy is Level 3.

In the current fiscal year, Konica Minolta Opto (Dalian) Co., Ltd. was excluded from the scope of the transfer as a result of discussions toward closing. Therefore, the Company ceased to classify the assets as held for sale and reduced the carrying amount to the recoverable amount in the process of reclassifying them to regular assets and liabilities. As a result, impairment losses on property, plant and equipment and others of 4,570 million yen are recognized in “Other expenses” in the consolidated statements of profit or loss.

The execution of Konica Minolta Optical Products (Shanghai) Co., Ltd.’s equity transfer was completed on February 21, 2025, and the company became an equity method affiliate following the loss of control. The income of 2,246 million yen, which includes the realization of the exchange differences on translation of foreign operations in connection with this transfer of equity capital, is recognized as gain on sales of subsidiaries' equity in “Other income” in the consolidated statements of profit or loss.

[Sale of equity capital in Invicro, LLC]

In the previous fiscal year, the Group decided to transfer 100% of its equity capital in Invicro, LLC (Headquarters: Massachusetts, U.S.A.) in the Precision Medicine Business, to Calyx Services Inc. (Headquarters: Delaware, U.S.A.), and entered into an equity transfer agreement as of March 6, 2024.

Accordingly, the assets and liabilities of Invicro, LLC were classified as a disposal group held for sale. For the disposal group classified as held for sale, since the fair value less costs to sell is higher than the carrying amount, which is cost less accumulated depreciation and impairment, the assets and liabilities are measured at fair value less costs to sell. As a result, the impairment loss previously recorded of 3,634 million yen was recognized as gain on reversal of impairment losses in “Profit from Discontinued Operation” in the consolidated statements of profit or loss. The fair value is based on the selling price, and the fair value hierarchy is Level 3.

The execution of this equity transfer was completed on April 30, 2024.

[Real estate transfer at a subsidiary in North America]

In the previous fiscal year, the Group concluded a real estate transfer agreement for some land owned by a subsidiary in North America. Accordingly, the land is classified as a non-current asset classified as held for sale. Execution of this real estate transfer is scheduled to be after May 2025.

In the current fiscal year, the Group concluded a real estate transfer agreement which separates from the contract of the previous fiscal year for some land owned by a subsidiary in North America. Accordingly, the assets and liabilities of the real estate were classified as a disposal group held for sale. For the non-current asset classified as held for sale, since the fair value less costs to sell is lower than the carrying amount, the assets and liabilities are measured at fair value less costs to sell. As a result, the loss recorded of 192 million yen is recognized as impairment losses regarding assets held for sale in “Other expenses” in the consolidated statements of profit or loss. The fair value is based on the selling price, and the fair value hierarchy is Level 3. Execution of this real estate transfer is scheduled to be after June 2025.

[Share transfer of Konica Minolta REALM, Inc.]

In the current fiscal year, the Group decided to transfer all shares of Konica Minolta REALM, Inc. (Headquarters: Minato-ku, Tokyo), which operates within the Precision Medicine Business, to SB TEMPUS Corp. (Headquarters: Minato-ku, Tokyo), and entered into a share transfer agreement as of January 14, 2025.

Accordingly, the assets and liabilities of Konica Minolta REALM, Inc. are classified as a disposal group held for sale. For the disposal group classified as held for sale, since the fair value less costs to sell is lower than the carrying amount, the assets and liabilities are measured at fair value less costs to sell. A resulting loss of 642 million yen is recognized in "Profit from Discontinued Operation" in the consolidated statements of profit or loss. The fair value is based on the selling price, and the fair value hierarchy is Level 3.

This share transfer is scheduled to be executed after June 2025.

[Share transfer of MOBOTIX AG]

In the current fiscal year, the Company decided to transfer all shares of MOBOTIX AG (Headquarters: Langmeil, Germany) and loans-receivable against MOBOTIX AG in the imaging-IoT solutions unit in the Imaging Solutions Business, to Certina Software Investments AG (Headquarters: Grünwald, Germany), and entered into a share transfer agreement as of March 25, 2025.

Accordingly, the assets and liabilities of MOBOTIX AG are classified as a disposal group held for sale. For the disposal group classified as held for sale, since the fair value less costs to sell is lower than the carrying amount, the assets and liabilities are measured at fair value less costs to sell. For the difference between the fair value less costs to sell and the carrying amount, the loss of 5,136 million yen recognized due to the reduction of the carrying amount of non-current assets is recognized as an impairment loss related to assets held for sale, and the loss of 4,999 million yen exceeding the carrying amount of non-current assets is recognized as a provision for business transfer loss in "Other expenses" in the consolidated statements of profit or loss. The fair value is based on the selling price, and the fair value hierarchy is Level 3.

The execution of this share transfer was completed on April 29, 2025. The Group is currently calculating the effect of the share transfer on its consolidated financial statements for the fiscal year ending March 31, 2026.

[Share transfer of Konica Minolta Marketing Services Holding Company Limited]

In the current fiscal year, the Company decided to transfer all shares of Konica Minolta Marketing Services Holding Company Limited (Headquarters: London, England) in the marketing services unit in the Professional Print Business, to adm Group Limited (Headquarters: London, England), and entered into a share transfer agreement as of March 26, 2025.

Accordingly, the assets and liabilities of 26 companies subject to transfer under this agreement are classified as a disposal group held for sale. For the disposal group classified as held for sale, since the fair value less costs to sell is lower than the carrying amount, the assets and liabilities are measured at fair value less costs to sell. For the difference between the fair value less costs to sell and the carrying amount, the loss of 6,242 million yen recognized due to the reduction of the carrying amount of non-current assets is recognized as an impairment loss related to assets held for sale, and the loss of 3,593 million yen exceeding the carrying amount of non-current assets is recognized as a provision for business transfer loss in "Other expenses" in the consolidated statements of profit or loss. The fair value is based on the selling price, and the fair value hierarchy is Level 3.

This share transfer is scheduled to be executed after June 2025.

[Discontinued Operation]

(a) Outline of the discontinued operation

The Group completed the transfer of all equity capital of Invicro, LLC ("Invicro") to Calyx Services Inc. on April 30, 2024. In addition, on February 3, 2025, the Group completed to transfer all shares of Ambry Genetics Corporation (“Ambry Genetics”) to Tempus AI, Inc.. As a result, the Precision Medicine Business is classified as a discontinued operation, and profit or loss from discontinued operation is presented separately from continuing operations in the consolidated statements of profit or loss.

(b) Profit or loss from discontinued operation

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Discontinued Operation		
Income (Note 1)	59,474	93,591
Expenses (Note 2)	61,243	50,904
Profit (loss) before tax from Discontinued Operation	(1,768)	42,687
Income tax expense	(447)	(2,382)
Profit (loss) from Discontinued Operation	(1,321)	45,069

(Notes)

1. In the previous fiscal year, the reversal of previously recognized impairment loss of 3,634 million yen is included, which was recognized as a result of measuring Invicro at fair value less costs to sell. In the current fiscal year, the reversal of previously recognized impairment loss of 25,002 million yen, which was recognized as a result of measuring Ambry Genetics at fair value less costs to sell, and a profit of 25,973 million yen, which was recognized as a result of the realization of the exchange differences on translation of foreign operations in connection with the share transfer of Ambry Genetics and the changes in the fair value of Tempus shares received as consideration, are included.
2. In the current fiscal year, a loss of 664 million yen, which was recognized as a result of the realization of the exchange differences on translation of foreign operations and the adjustment of the transfer price in connection with the transfer of equity capital of Invicro, and a loss of 642 million yen, which was recognized as a result of measuring Konica Minolta REALM Inc. at fair value less costs to sell, are included.

(c) Profit attribution

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Owners of the Company		
Profit (loss) from Continuing Operations	5,731	(92,372)
Profit (loss) from Discontinued Operation	(1,209)	44,888
Total	4,521	(47,484)
Non-controlling interests		
Profit (loss) from Continuing Operations	(210)	(3,013)
Profit (loss) from Discontinued Operation	(111)	180
Total	(321)	(2,832)

(d) Cash flows from discontinued operation

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities	(4,317)	(9,266)
Cash flows from investing activities	(5,339)	62,252
Cash flows from financing activities	(32,862)	(1,754)
Total	(42,520)	51,231

[Earnings per Share]

Basic and diluted earnings per share are calculated based on the profit attributable to owners of the Company using the following information:

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
	Millions of yen	Millions of yen
Basis of calculating basic earnings per share		
Profit (loss) for the year attributable to owners of the Company	4,521	(47,484)
Profit for the year not attributable to owners of the Company	—	—
Profit (loss) from Continuing Operations for the year to calculate basic loss per share	5,371	(92,372)
Profit (loss) from Discontinued Operation for the year to calculate basic loss per share	(1,209)	44,888
	Thousands of shares	Thousands of shares
Weighted-average number of ordinary shares outstanding during the year	494,297	494,726
	Yen	Yen
Basic earnings (loss) per share	9.15	(95.98)
Continuing Operations	11.59	(186.71)
Discontinued Operation	(2.45)	90.73
Basis of calculating diluted earnings per share	Millions of yen	Millions of yen
Profit (loss) for the year to calculate basic earnings per share	4,521	(47,484)
Adjustments of profit for the year	—	—
Profit (loss) for the year to calculate diluted earnings per share	4,521	(47,484)
Profit (loss) from Continuing Operations for the year to calculate diluted earnings per share	5,731	(92,372)
Profit (loss) from Discontinued Operation for the year to calculate diluted earnings per share	(1,209)	44,888
	Thousands of shares	Thousands of shares
Weighted-average number of ordinary shares outstanding during the year	494,297	494,726
Impact of dilutive effects	1,235	1,291
Weighted-average number of diluted ordinary shares outstanding during the year	495,532	496,018
	Yen	Yen
Diluted earnings (loss) per share	9.12	(95.98)
Continuing Operations	11.57	(186.71)
Discontinued Operation	(2.44)	90.73

[Notes Regarding Impact of Changes in Corporate Tax Rates]

The "Act for Partial Revision of the Income Tax Act, etc." (Act No. 13, 2025) was enacted by the Diet on March 31, 2025, and the "Defense Special Corporation Tax" will be imposed from the fiscal year beginning on or after April 1, 2026.

As a result, the statutory effective tax rate for deferred tax assets and liabilities related to temporary differences that are expected to be reversed in and after the fiscal year beginning April 1, 2026, has been changed from 30.6% to 31.5%.

As a result of this change, the amount of deferred tax assets (after deducting the amount of deferred tax liabilities) increased by 366 million yen, and the amount of income tax adjustment and other comprehensive income decreased by 512 million yen and 145 million yen, respectively, in the current fiscal year.