



Financial Results **for the Three Months Ended June 30, 2025** **～ Supplementary materials for financial results ～**

July 31, 2025
Tsuzuki Denki Co., Ltd.



Highlights

Higher revenue and significant profit growth were driven by measures to improve profitability in the equipment business and sales growth in the development and construction business and the service business. Orders received were extremely favorable, and steady progress was made in the six growth areas, including security and cloud services.

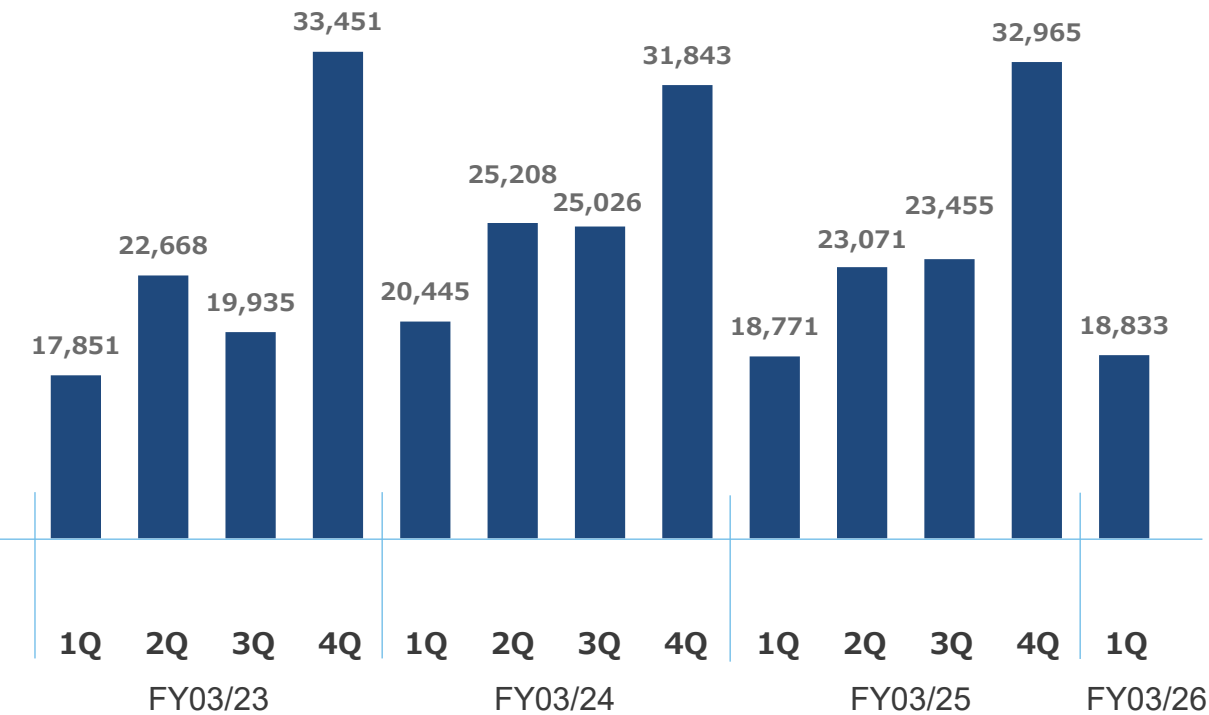
•Results for the six growth areas: Total sales of about JPY3.3bn (+23.5% YoY)

	(Millions of yen)			
	Q1 FY03/25	Q1 FY03/26	Change (amount)	Change (YoY)
Net sales	18,771	18,833	+62	+0.3%
Gross profit	4,114	4,354	+240	+5.8%
(Gross Profit Margin)	(21.9%)	(23.1%)	(+1.2pt)	—
SG&A expenses	4,113	4,053	(59)	(1.5%)
Operating profit	1	301	+300	—
(Operating margin)	(0.0%)	(1.6%)	(+1.6pt)	—
Profit attributable to owners of parent	1	272	+271	—
Orders	23,642	27,806	+4,164	+17.6%
Order backlog	22,766	29,219	+6,453	+28.3%

Quarterly Performance Trends

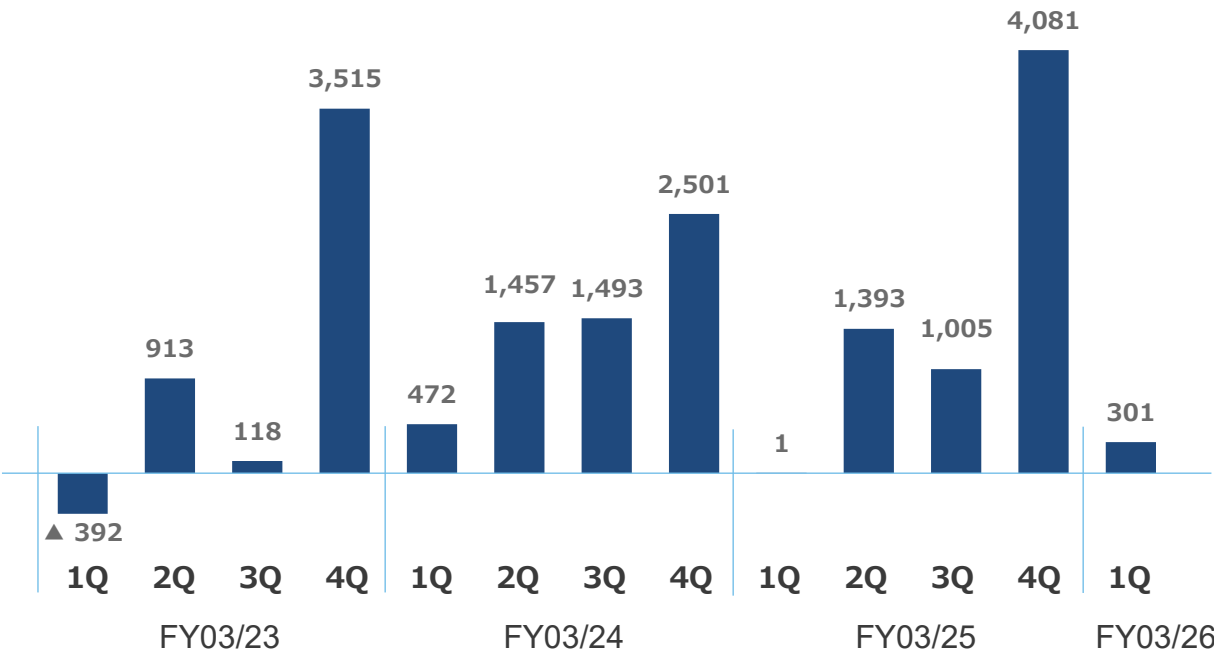
Because many of the Group’s customers have fiscal years ending in March, and a large portion of transactions involve performance obligations satisfied at a point in time, net sales and operating profit tend to concentrate in the second and fourth quarters. The first quarter of the fiscal year ending March 31, 2026 got off to a strong start.

Net sales



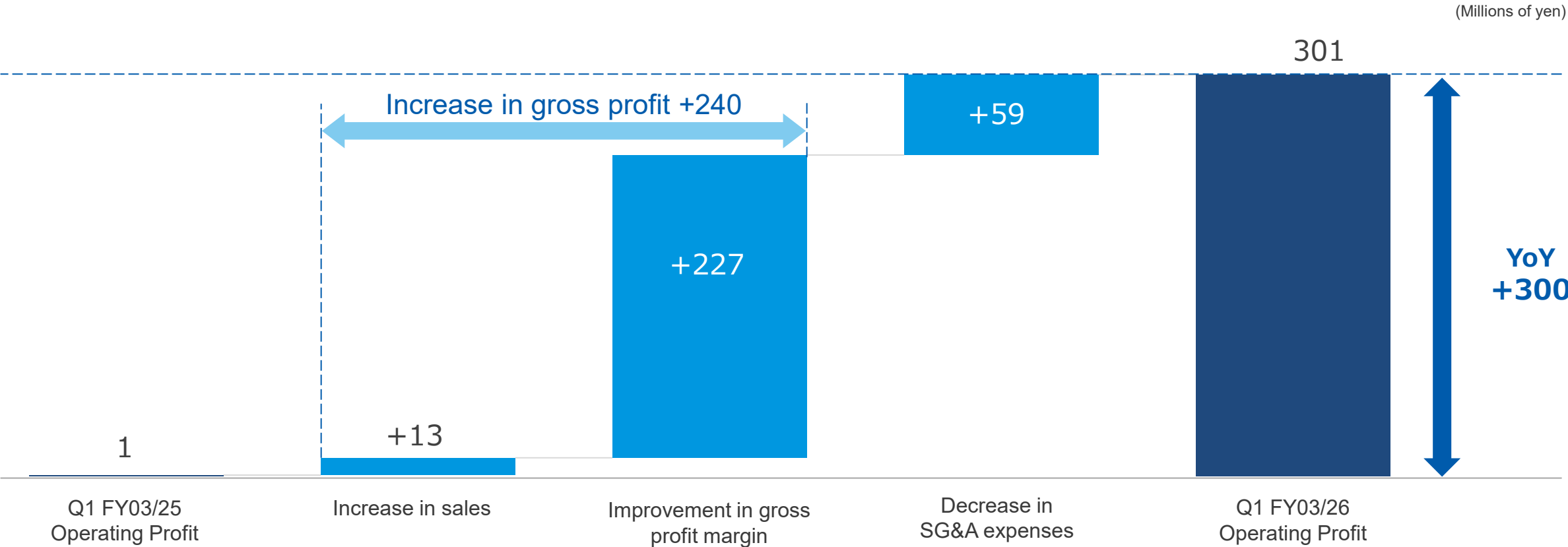
Operating profit

(Millions of yen)



Factors Affecting Operating Profit

■ Positive	Increase in sales	(+JPY13mn)	:Net sales growth in the development and construction business and the service business
	Improvement in gross profit margin	(+JPY227mn)	:Significant improvement due to pricing management, productivity improvement, and sales mix changes
	Decrease in SG&A expenses	(+JPY59mn)	:Decrease in personnel due to fewer employees following an increase in retirees



Results by Business Model

All business model performed well, with order conditions remaining highly favorable, supported by robust capital investment demand.

■ Equipment

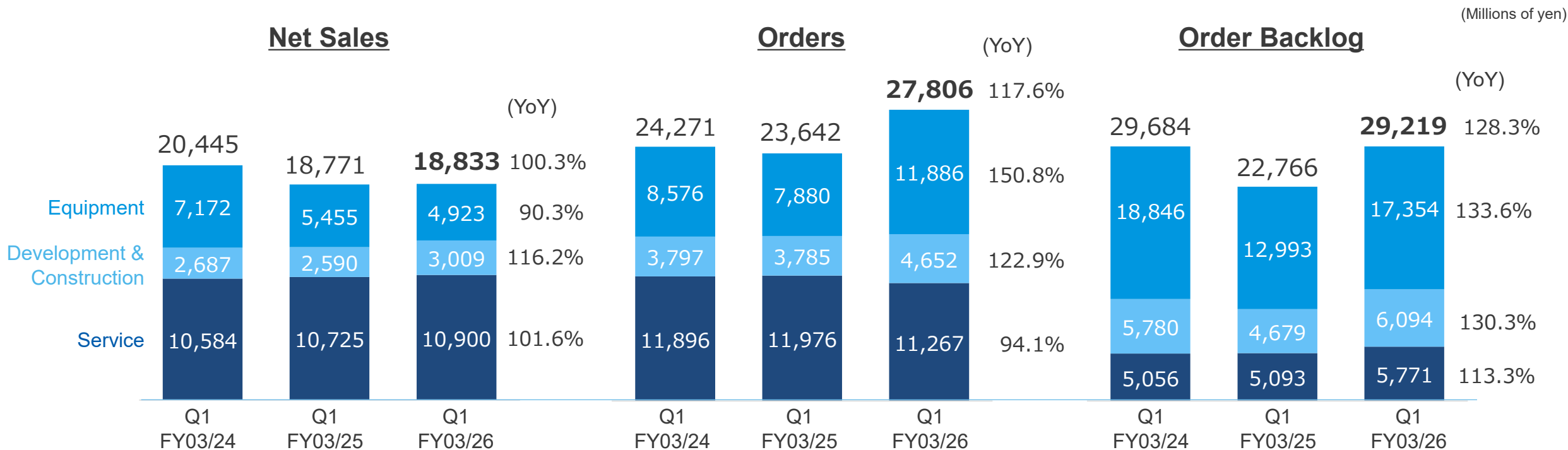
Orders increased significantly year on year, driven by Windows 10 EOS special demand and orders for server installations for manufacturers.

■ Development & Construction

System development projects for a broad range of customers including local governments and financial institutions, as well as network construction projects, grew steadily, resulting in significant year-on-year increases in orders and net sales.

■ Service

Although orders temporarily declined this quarter due to a change in the timing of orders, there was no impact on the full-year outlook. Order backlog increased significantly year on year, and the service business—one of the six growth areas under the medium-term management plan—continued to perform well, with net sales exceeding the level of the same quarter last year.



FY03/26 Consolidated Earnings Forecast (No Change)

In the first quarter, we made steady progress toward the full-year earnings forecast. We will actively drive growth in net sales in high-growth markets—particularly in the six growth areas—where we can leverage our expertise and technological capabilities, while implementing profitability improvements centered on pricing management. Our goal is to achieve record-high operating profit for the fourth consecutive year.

(Millions of yen)

	FY03/25 results	FY03/26 forecast	Change (amount)	Change (YoY)
Net sales	98,263	102,500	+4,237	+4.3%
Operating profit	6,481	6,700	+219	+3.4%
Operating margin	6.6%	6.5%	—	(0.1pt)
Profit attributable to owners of parent	4,764	4,500	(264)	(5.6%)

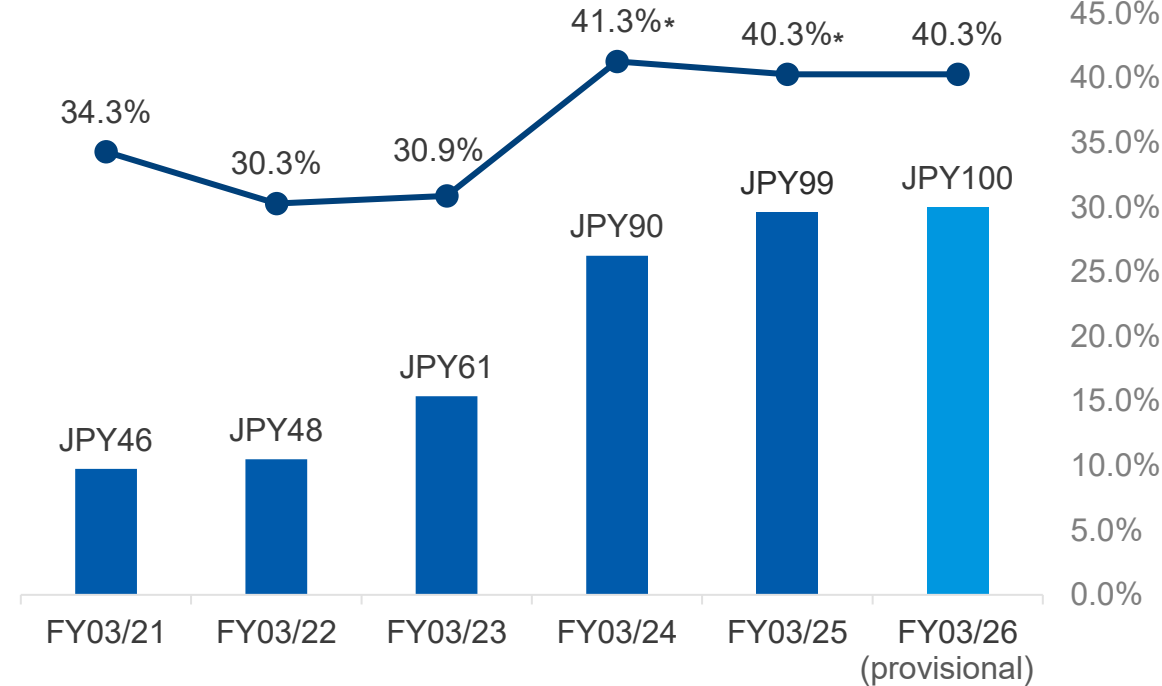
Shareholder Return (No Change)

Pay stable dividends with a target payout ratio of 40%*
(Minimum dividend on equity [DOE] ratio of 3.5%)

Annual dividend:100yen (provisional)
(Interim dividend: 50 yen; Year-end dividend: 50 yen)

* Profit attributable to owners of parent used for dividend calculation is based on profit from business activities, excluding extraordinary gains/losses, etc.)

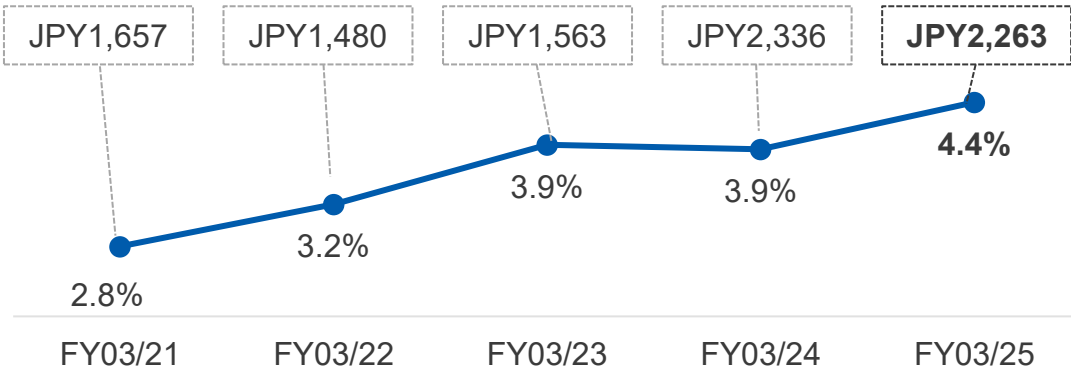
Dividend per share& dividend payout ratio



*Based on profit from business activities. Dividend payout ratio is 29.5% in FY03/24 and 37.6% in FY03/25 based on reported profit attributable to owners of parent

Dividend yield

Year-end share price



*Dividend yield = Dividend per share / Share price at the end of the period (final record date)

Shareholder benefits

Number of shares held \ Number of years held	Products (including QUO Cards, 13 types in different price ranges)	
	Less than 3 years	More than 3 years
100 shares to less than 300 shares	JPY1,000 worth	JPY2,000 worth
300 shares to less than 1,000 shares	JPY2,000 worth	JPY4,000 worth
1,000 shares or more	JPY3,000 worth	JPY6,000 worth

*If 1,000 shares or more but less than 3 years (worth 3,000 yen) and 300 shares to less than 1,000 shares for more than 3 years (worth 4,000 yen) both apply, it will be treated as 300 shares to less than 1,000 shares for more than 3 years (worth 4,000 yen).

Corporate Profile & Business Model

Corporate Name	TSUZUKI DENKI CO.,LTD.
Head Office	Tokyo Art Club Building, 6-19-15 Shinbashi, Minato-ku, Tokyo 105-8665, JAPAN
Founded	Founded May 1st, 1932 as Tsuzuki Shohten
Establishment of the Corporation	Established on March 26th, 1941 as Tsuzuki Telephone Business, Co., Ltd.
Industry	Information and Communication Industry
Stock Information	TSUZUKI DENKI shares are listed on the Prime Market of the Tokyo Stock Exchange (Code:8157)
Capital Fund	JPY 9,812,930,540-
Volume of Sales	JPY 98,263 million (as of March 2025 Consolidated)
Number of Employees	2,061(as of March 2025 Consolidated)

【Overview of the Business Model】

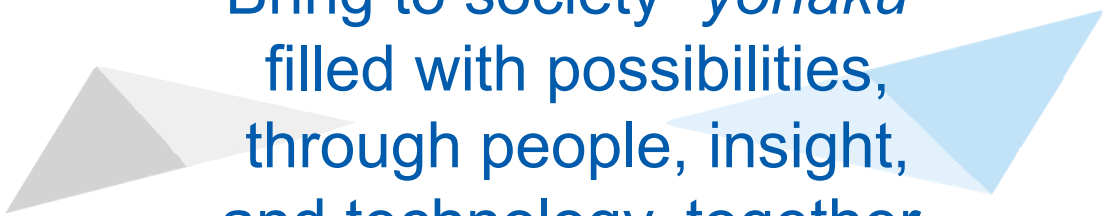
- Equipment** : ▶ PCs ▶ Servers ▶ Storage ▶ Network devices ▶ PBX, etc.
- Development and construction** : ▶ Infrastructure construction (information and network systems) ▶ Network design and construction
▶ System and application development ▶ Voice platform system (PBX) design, construction, etc.
- Services** : ▶ Various cloud services (CT-e1/SaaS, TCloud series, etc.) ▶ Cloud infrastructure (Microsoft Azure, etc.)
▶ Device maintenance ▶ Monthly line fees ▶ Maintenance and operation services, etc.

Contact

Contact	Tsuzuki Denki Co., Ltd. Management Planning Office
Address	6-19-15 Shinbashi, Minato-ku, Tokyo 105-8665, Japan (Tokyo Art Club Building)
	Phone: 050-3684-7780
	ir-tantou@tsuzuki.co.jp
	https://www.tsuzuki.co.jp/

Disclaimer

The forward-looking statements, including earnings forecasts, contained in this document are based on information available to the Company at the time of this document's release and are subject to a number of uncertainties. Please note that actual results may differ significantly due to various factors. Although every effort has been made to ensure the accuracy of the information contained in this document, please note that the accuracy and certainty of its content is not guaranteed. The names of companies, products, and services mentioned in this document are registered trademarks or trademarks of their respective owners.

A decorative graphic consisting of several overlapping triangles in shades of gray and light blue, positioned behind the central text.

Bring to society “*yohaku*”
filled with possibilities,
through people, insight,
and technology, together.