

nms Holdings Corporation

Overview of Consolidated Financial Results

for the First Half of Fiscal Year Ending March 31, 2025

- Overall performance remained firm, mainly due to the receipt of new orders and increase in production volume from commencement of mass production, despite the negative impact from automotive-related production cuts and production adjustments to accommodate changes in the sales strategies of customers. This resulted in YOY growth in both net sales and operating income over the first half of the previous fiscal year.
- The full positive benefits from previous cost restructuring and measures to strengthen the business base, combined with the recognition of foreign exchange gains (695 million yen) due to further weakening of the yen, resulted in an increase in ordinary income.
- An extraordinary loss (233 million yen) was recognized for a series of expenses relating to investigation of the improper use of expenses by the former President and CEO (disclosed on October 22, 2024) by a special investigative committee.

(Million yen)	First Half of FYE Mar. 31, 2024 Results	First Half of FYE Mar. 31, 2025 Results				YoY	Main Points
		1st Quarter	2nd Quarter	Total			
Net sales	36,274	17,508	19,255	36,763	1.3%		
Operating income	498	400	487	887	+389	[Non-operating income/expenses] Non-operating income: ¥766 million (Down ¥62 million YoY) Non-operating expenses: ¥327 million (Down ¥109 million YoY)	
Ordinary income	889	764	561	1,325	+436	[Extraordinary income/losses] Extraordinary income: ¥53 million Extraordinary losses: ¥233 million	
Profit attributable to owners of parent	560	562	327	890	+330		
Net income per share (yen)	36.03	36.19	21.10	57.29	+21.26		
EBITDA	1,229	765	858	1,623	+393		

Full-year Earnings for Fiscal Year Ending March 31, 2025

(announced on Jan. 14,2025)



- It appears that the uncertain economic environment will continue through consolidated fiscal year ending March 31, 2025, mainly due to changes in economic policy with the new administration in the U.S., interest rate policies in various countries, and fluctuation in exchange rates resulting from such policies. In the domestic business, we expect the negative impact from automotive-related production cuts and production adjustments to accommodate changes in the sale strategies of customers to continue.
- In the HS Business, we have made progress on improving the cost-to-sales ratio, stricter management to maintain SG&A expenses at an appropriate level, and other measures to strengthen the business base. However, we expect the negative impact of the trend in demand to linger.
- EMS business performance is firm in the Vietnam and North America businesses, where we have been making strategic investments, mainly from new orders received and commencement of mass production. Demand also remains at a high level in the PS Business.
- Although we expect foreign exchange gains from yen weakening to continue to boost ordinary income, we expect profit attributable to owners of parent to underperform the previous forecast due to the recognition of an extraordinary loss of 233 million yen in the first half of the consolidated fiscal year ending March 31, 2025.

(Million yen)	FYE Mar. 31, 2023 Results	FYE Mar. 31, 2024 Results	FYE Mar. 31, 2025 Forecasts (announced on Jan. 14,2025)	vs. FYE Mar. 31, 2024
Net sales	79,033	72,874	75,400	+3.5%
Operating income	1,537	1,888	1,650	(238)
Ordinary income	1,426	1,570	1,800	+230
Profit attributable to owners of parent	505	737	1,050	+313
Net income per share (yen)	32.52	47.42	67.55	+20.13

Financial Performance Highlights by Segment

(Million yen)		First Half of FYE Mar. 31, 2024 Results	First Half of FYE Mar. 31, 2025 Results				Main Points
					Total	YoY	
			1st Quarter	2nd Quarter			
HS Business	Net sales	11,416	5,586	5,908	11,494	0.7%	<ul style="list-style-type: none"> Domestically, the HS business made progress on improving the cost-to-sales ratio, stricter management to maintain SG&A expenses at an appropriate level, and other measures to strengthen the business base, despite the negative impact, mainly from automotive-related production cuts, on demand. Overseas, demand was firm overall, due in part to growth in sales in China, Thailand, and Laos, in addition to the positive benefits from previous measures to strengthen the business base.
	Segment income	427	113	197	310	(117)	
EMS Business	Net sales	17,347	8,388	9,226	17,614	1.5%	<ul style="list-style-type: none"> Demand was firm, mainly due to receipt of new orders and an increase in production volume from commencement of mass production at locations where strategic investments were made, despite the negative impact resulting mainly from production adjustments by customers. The positive effects from productivity improvements and cost restructuring at each location also led to growth in segment income.
	Segment income	134	332	75	408	+274	
PS Business	Net sales	7,510	3,533	4,120	7,653	1.9%	<ul style="list-style-type: none"> Demand remained at a high level despite the negative impact, mainly from production cuts by customers and postponement of sales due to a changing business environment. We will continue our steady efforts to maintain stable production, mainly by improving production efficiency and expanding procurement sources for parts and materials, and implementing measures to increase segment income.
	Segment income	219	114	385	499	+280	
Segment Eliminations	Segment income	(283)	(160)	(171)	(331)	—	Company-wide expenses attributable to the holding company * These expenses not allocated to the individual segments were due to the migration to a holding company structure and have thus been eliminated from segment profits.
Total	Net sales	36,274	17,508	19,255	36,763	1.3%	HS Business: Human Resource Solution Business EMS Business: Electronics Manufacturing Service Business PS Business: Power Supply Business
	Segment income	498	400	487	887	+389	

(For Reference) Financial Performance by Segment: HS Business

Net sales

¥11,494 million

Up 0.7% YoY

Segment income

¥310 million

Down 117 million YoY

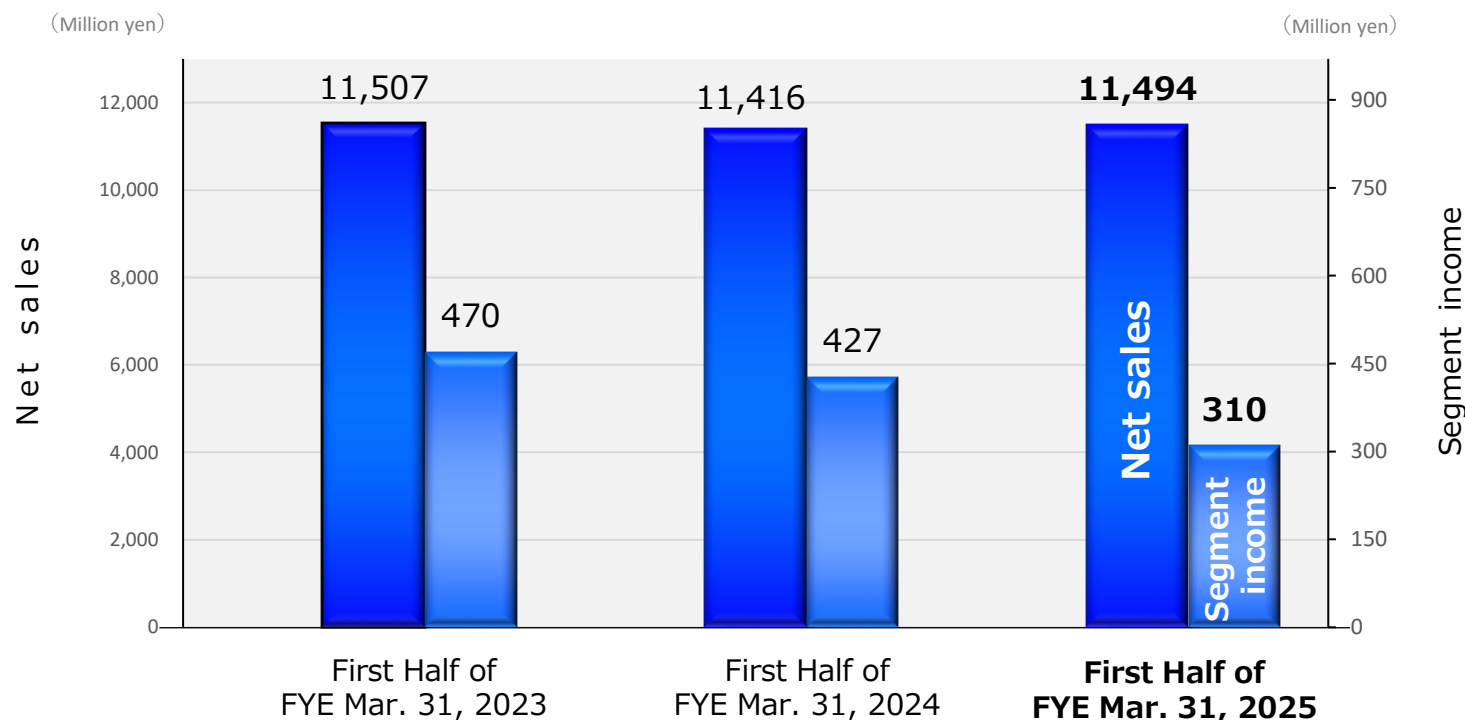
[Business Entity]

Nippon Manufacturing
Service Group



- Demand was firm overall despite the negative impact, mainly from automotive-related production cuts.
- Despite upfront expenses for strategic investments, mainly for opening technical centers to develop highly-skilled engineers, we endeavored to improve profitability through improvement in the cost-to-sales ratio, stricter management to maintain SG&A expenses at an appropriate level, and progress on other measures to strengthen the business base in ongoing transactions.

Both net sales and segment income were firm, due in part to growth in sales in China, Thailand, and Laos and the positive impact of foreign exchange gains, in addition to the positive benefits from strengthening the business base.



(For Reference) Financial Performance by Segment: EMS Business

- The EMS business has production operations in China, ASEAN countries, and North America. Despite the negative impact from production adjustments by customers as they changed sales strategies, demand was firm, mainly from the receipt of new orders and increase in production volume from commencement of mass production at strategic investment locations in Vietnam and North America.
- On the profit front, the positive effects from productivity improvements and cost restructuring at each location led to substantial improvement in segment income.
- The North America business is a strategic measure accompanying expansion of market domains. Inquiries from customers are also increasing so we are implementing measures to strengthen the business base to improve performance.

Net sales

¥17,614 million

Up 1.5% YoY

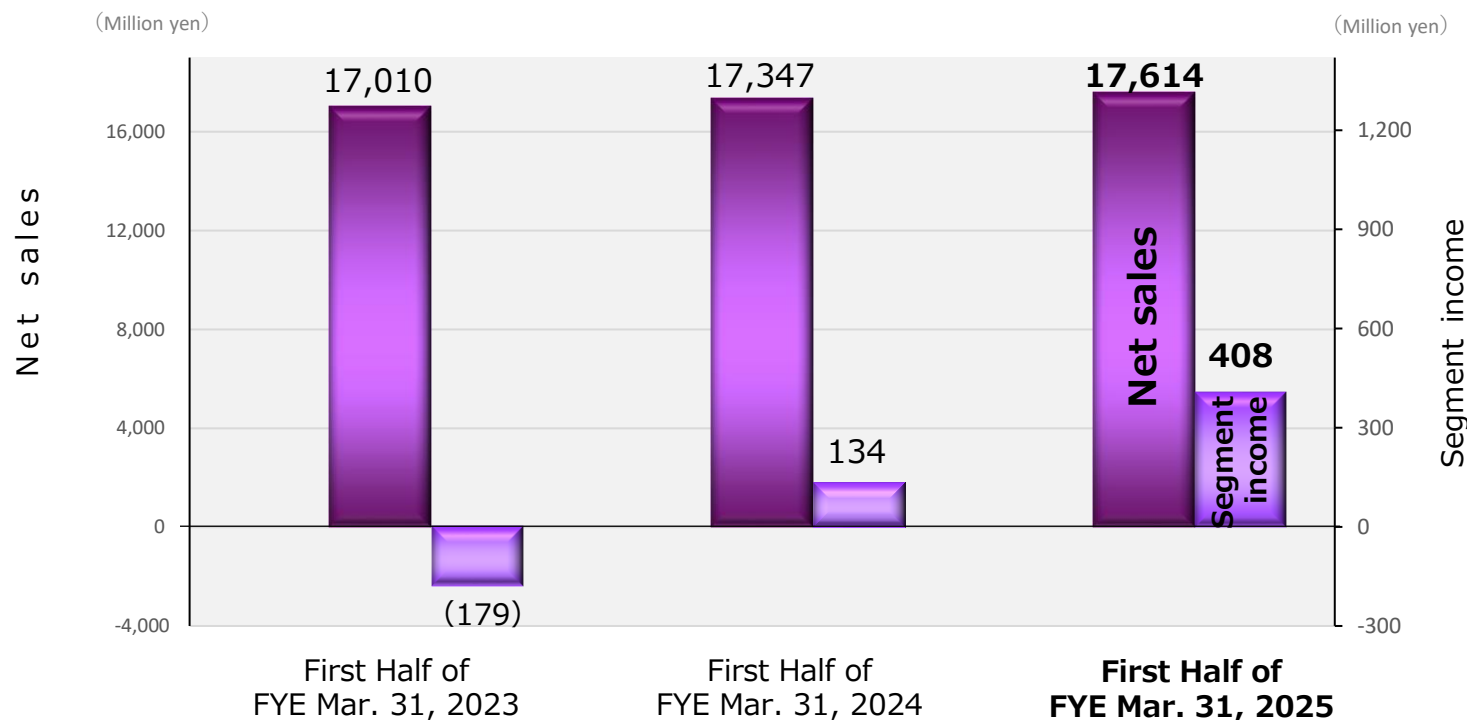
Segment income

¥408 million

Up 274 million YoY

[Business Entity]

TKR Group



(For Reference) Financial Performance by Segment: PS Business

- Demand remained at a high level despite production adjustments due to structural changes in the supply chain, production cuts by customers, and the postponement of sales for some products accompanying changes in the business environment.
- A rebound in orders for main types of equipment from the second quarter, mainly from an increase in sales in the domestic market, also boosted segment profit and we will continue to steadily implement measures to expand procurement sources for parts and materials, and other measures to ensure stable production and boost net sales and segment income.

Net sales

¥7,653 million

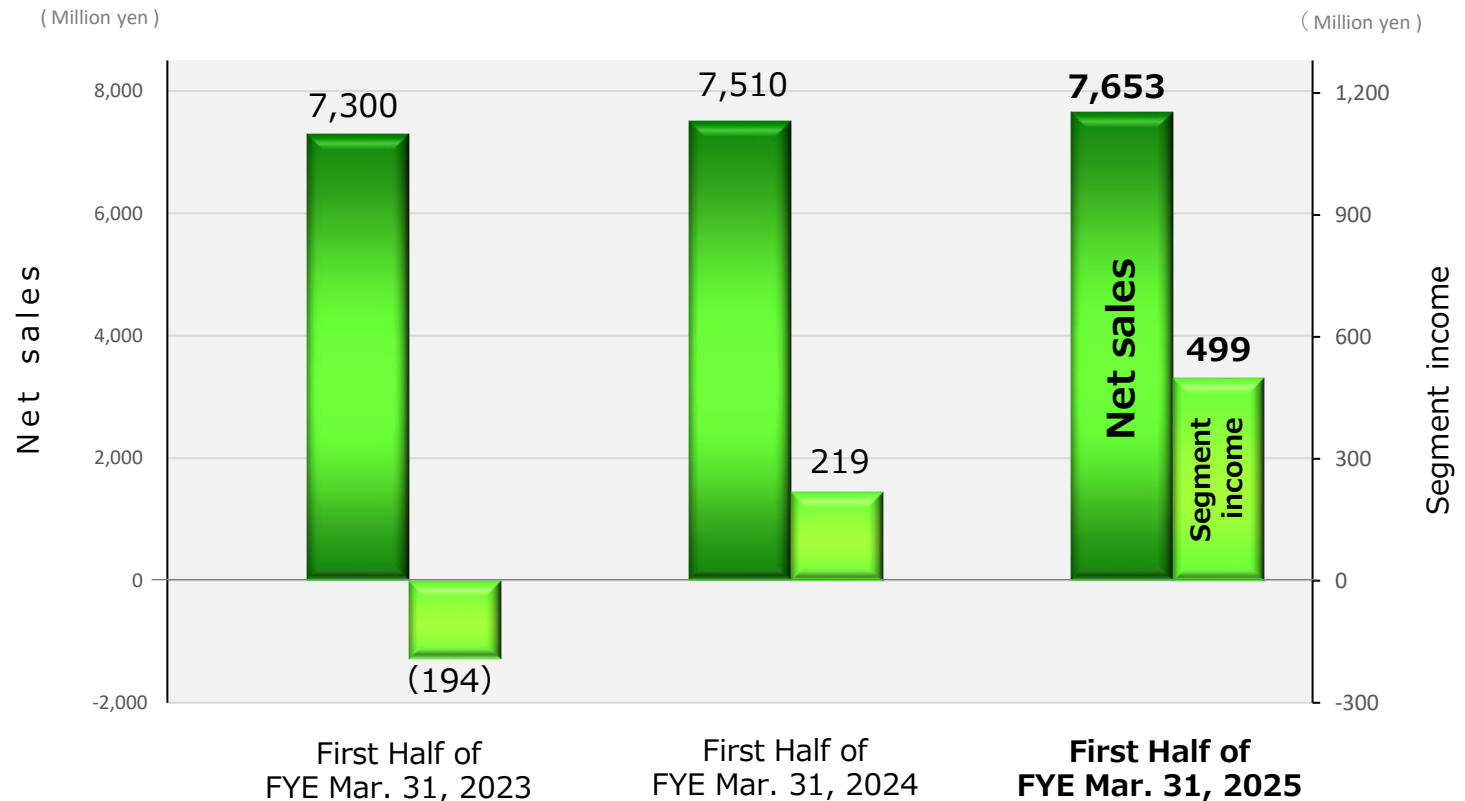
Up 1.9% YoY

Segment income

¥499 million

Up 280 million YoY

[Business Entity]
Power Supply
Technology Group



■ Financial Performance Highlights (B/S)

(Million yen)	FYE Mar. 31, 2024 (March 31, 2024)	2nd Quarter of FYE Mar. 31, 2025 (Sept 30, 2024)	Change
Current assets	26,178	27,212	+1,034
Non-current assets	9,784	10,577	+793
Property, plant and equipment	7,981	8,726	+745
Intangible assets	605	596	(9)
Investments and other assets	1,197	1,254	+57
Deferred assets	13	6	(6)
Total assets	35,976	37,796	+1,820
Total liabilities	32,631	33,601	+969
Current liabilities	29,219	30,342	+1,122
Non-current liabilities	3,411	3,259	(152)
Total net assets	3,344	4,195	+850
Total liabilities and net assets	35,976	37,796	+1,820

Financial Performance Highlights (Cash Flows)

(Million yen)		First Half FYE March 31, 2024	First Half FYE March 31, 2025	Main Points
Income before income taxes		889	1,146	
Depreciation		731	735	
Change in operating capital		1,684	(33)	Notes and accounts receivable – trade: (¥730) million Inventories : ¥819 million Notes and accounts payable – trade: (¥121million)
Other		(983)	(1,684)	
Net cash flow from operating activities		2,322	164	
Purchase/sales of non-current assets		(586)	(531)	Gains on sale: ¥51 million Expenditures for acquisition: (¥583 million)
Other		(32)	21	
Net cash flow from investing activities		(618)	(509)	
Free cash flow		1,703	(345)	
Change in loans payable		(789)	360	
Payment of dividends, etc.		(286)	(326)	Lease debt repayment: (¥218 million) Dividends paid: (¥108 million)
Net cash flow from financing activities		(1,075)	33	
Cash and cash equivalents at end of period		4,247	4,197	

nms Holdings Corporation

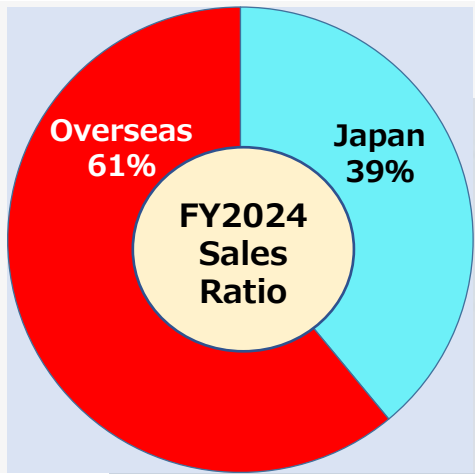
<https://www.n-ms.co.jp/english/>

Head Office	Tokyo Opera City Tower 45F, 3-20-2 Nishi-shinjuku, Shinjuku-ku, Tokyo 163-1445, Japan
Representative	Toshiko Kono, President and CEO
Capital	500,690,000 yen (as of September 30, 2024)
Stock Exchange Listings	Tokyo Securities Exchange (Standard market) Securities Code 2162
Number of group employees	12,769 people (as of September 30, 2024)
Business Activities	Integration of group businesses, management of operations, etc. in the Human Resource Solution (HS) Business, Electronics Manufacturing Service (EMS) Business, and Power Supply (PS) Business
Main Consolidated Subsidiaries	Nippon Manufacturing Service Corporation TKR Corporation Power Supply Technology Co., Ltd.

Group Company Total
25

(For Reference) nms Holdings Group Overseas Expansion

Integrate the unique characteristics of each business and capture new demand



China (Hong Kong)

HS EMS PS



Sino-Japan Stafftraining and Dispatch Co., Ltd.
Sino Manufacturing Service Corporation
Wuxi office Shenzhen office Shanghai office Dongguan office
Guangzhou office Suzhou office Dalian office
TKR Huanan Electronics Co., Ltd. (Dong Guan)
PST Huanan Electronics Co., Ltd. (Foshan)
Shenzhen office Suzhou office

Thailand • Cambodia • Laos

HS PS



nms(Thailand) Co., Ltd.
Power Supply Technology (Thailand) Co., Ltd.



Representative office of nms (Thailand) Co., Ltd.



NMS Lao Sole Co., Ltd.



TKR Hong Kong Limited
Power Supply Technology (HONG KONG) Co., Limited

Vietnam

HS EMS



NMS International Resources Co., Ltd.
nms Vietnam Co., Ltd.
TKR Manufacturing Vietnam Co., Ltd.

U.S.A • Mexico

EMS



TKR USA, Inc.



TKR de México S.A. de C.V.

Malaysia

EMS



SHIMA Electronic Industry (Malaysia) Sdn. Bhd.
TKR Manufacturing (Malaysia) Sdn. Bhd.
TKR Precision (Malaysia) Sdn. Bhd.



Indonesia

HS

PT. NMS CONSULTING INDONESIA

Bringing Japanese Manufacturing Quality to the World

nms Holdings

HS

Human Resource Solution Business

Staff members who are highly knowledgeable about products, manufacturing processes and production sites are taking an active role in each region of Japan, China and ASEAN member countries.

Legal Entity



Nippon Manufacturing Service Corporation

Domestic bases 29
Overseas bases 19

EMS

Electronics Manufacturing Service Business

This business implements total solutions that help customers to improve their competitive strength.

Legal Entity



TKR Corporation

Domestic bases 3
Overseas bases 8

PS

Power Supply Business

This business offers improved solutions that are a step above the rest with our technical expertise as a dedicated power source manufacturer.

Legal Entity



Power Supply Technology Group

Domestic bases 2
Overseas bases 5

(For Reference) nms Holdings Group Business Structure

Main Consolidated Subsidiaries	Countries/ Regions Entered	Main Business Activities
Human Resource Solution Business (HS Business)		
<ul style="list-style-type: none"> • Nippon Manufacturing Service Corporation • nms Engineering Co., Ltd. • Japan Technical Education Organization (JATEO) • Sino-Japan Staff training and Dispatch Co., Ltd. • Sino Manufacturing Service Corporation • nms Vietnam Co., Ltd. • NMS International Resources Co., Ltd. • nms (Thailand) Co., Ltd. • PT. NMS CONSULTING INDONESIA • NMS Lao Sole Co., Ltd. etc. 	Japan China Vietnam Thailand Laos Indonesia Cambodia	General manufacturing services in Japan and overseas <ul style="list-style-type: none"> • Contract manufacturing business (contracting [on-premises contract manufacturing] and contract manufacturing staffing and recruitment services) • IT production engineering business (staffing and recruitment services) • IT and design development engineering business (staffing, recruitment services and contracting) • Technical service business (various repairs, rework and analysis / general customer services) • Logistics service business (distribution 3PL / flow surface processing / staffing) • Contract education/training after entering Japan for technical interns and business support for companies accepting interns concerning the technical intern training program for foreigners
Electronics Manufacturing Service Business (EMS Business)		
<ul style="list-style-type: none"> • TKR Corporation • TKR Huanan Electronics (Dongguan) Co., Ltd. • TKR Manufacturing (Malaysia) Sdn. Bhd. • TKR Precision (Malaysia) Sdn. Bhd. • TKR Manufacturing Vietnam Co., Ltd. • TKR USA, Inc. • TKR de México S.A. de C.V. • SHIMA Electronic Industry (Malaysia) Sdn. Bhd. etc. 	Japan China Malaysia Vietnam U.S.A. Mexico	<ul style="list-style-type: none"> • Electronics Manufacturing Service business (substrate mounting, substrate assembling, simple pressing, resin molding, assembly, etc.) • Labor-saving Device Manufacturing/Sales business • Energy-saving Device Manufacturing/Sales business • Business initiatives shared with the customer, and design, development and sales efforts related to such • Startup solutions business
Power Supply Business (PS Business)		
<ul style="list-style-type: none"> • Power Supply Technology Co., Ltd. • PST Huanan Electronics (Foshan) Co., Ltd. • Power Supply Technology (Thailand) Co., Ltd. • Power Supply Technology (Hong Kong) Co., Limited 	Japan China Hong Kong (China) Thailand	<ul style="list-style-type: none"> • Custom power supply (switching and high-voltage): development, design, manufacturing, sales • Magnet roll: development, design, manufacturing, sales • A wide variety of transformers (switching/high-voltage transformers): development, design, manufacturing, sales

None of the information in these materials constitutes a solicitation to purchase or sell shares in nms Holdings Corporation.

The financial forecasts and other forward-looking statements in these materials are based on information available at the time these materials were produced as well as certain assumptions deemed reasonable by the company. Actual results may differ substantially due to various risks and uncertainties.

nms Holdings Corporation does not make any recommendations, warranties, etc. concerning the information contained in these materials, and accepts no liability whatsoever for any damages incurred.

Contact for inquiries:
nms Holdings Corporation
Corporate Communications & IR Dept.
Tel: +81-3-5333-1737
E-mail: nms-ir@n-ms.co.jp

