

Q&A Summary from Results Briefing for the Fiscal Year Ended March 31, 2024

Date and time: Tuesday, May 14, 2024, 17:00 to 18:00

Q: What is your approach to strategic expenses (advertising and promotion expenses) in the Timepiece Business in the current fiscal year?

A: In the current fiscal year, we are implementing marketing measures tailored to each region rather than the large-scale, cross-area events we held in the previous fiscal year. We expect to allocate 1.0 billion yen in strategic expenses to this, 2.0 billion yen less than in the previous fiscal year.

Q: How will profit and loss be handled after structural reform in the System Equipment Business?

A: Starting from the current fiscal year, the figures for the PA (handheld terminals) and SA (electronic registers) businesses are being disclosed as discontinued businesses in the Others segment.

Q: Will the personnel cuts during the structural reform use similar measures to the early retirement incentive scheme in the previous fiscal year?

A: We do not expect to use the same method this time, since the entire Group will be implementing structural reform. We will rationalize personnel in accordance with the labor laws and regulations in each country, but we will not elaborate on the specifics of the individual methods.

Q: What were the results for the previous fiscal year and the plan for the current fiscal year in terms of expenses for new businesses?

A: The amount of adjustments consists of fundamental research expenses, including for new businesses, and corporate expenses, and the normal base amount is about 5.0 billion yen. The actual amount of adjustments in the previous fiscal year was 6.1 billion yen, and the plan for the current fiscal year is 6.0 billion yen. The amount exceeding 5.0 billion yen for both of these figures is the amount of additional investment in new businesses.