

Financial Results

For the fiscal year ended March 2025

May 14, 2025

Total Shareholder Return since Listing (TSR)

	TOPIX share index with dividends Included	Total shareholder return of HIKARI TSUSHIN		TOPIX share index with dividends Included	Total shareholder return of HIKARI TSUSHIN		TOPIX share index with dividends Included	Total shareholder return of HIKARI TSUSHIN	
1996/8	(0.2%)	186.6%		2010/3	(28.1%)	(41.0%)	2020/3	(9.5%)	(10.5%)
1997/8	(6.7%)	(31.9%)		2011/3	(34.8%)	(30.3%)	2021/3	42.1%	22.2%
1998/8	(21.8%)	(22.7%)		2012/3	28.5%	(11.2%)	2022/3	2.0%	(30.8%)
1999/8	32.9%	1241.6%		2013/3	(9.2%)	8.0%	2023/3	5.8%	29.4%
2000/8	4.4%	(90.4%)		2014/3	0.6%	38.4%	2024/3	41.3%	45.4%
2001/8	(26.4%)	(74.4%)		2015/3	23.8%	78.5%	2025/3	(1.5%)	33.2%
2002/3	(3.1%)	2.1%		2016/3	18.6%	71.6%			
2003/3	(24.8%)	(2.7%)		2017/3	30.7%	(7.9%)	1996-2025 Annual average growth rate	3.6%	9.9%
2004/3	51.1%	290.5%		2018/3	(10.8%)	10.8%	1996-2025 Total growth rate	282%	1,529%
2005/3	1.4%	36.3%		2019/3	14.7%	25.8%			
2006/3	47.8%	12.9%		2020/3	15.9%	51.8%			
2007/3	0.3%	(32.5%)		2021/3	(5.0%)	22.9%			

Annual Growth Rate for 15 Fiscal Years (1)

(Billion JPY)

	Revenue	Recurring operating profit	Operating profit	Equity-method investment gains/losses	Interest and dividend incomes	Interest expenses	Income before tax	Net income	Comprehensive income	Realized gains/losses	Changes in unrealized gains
10/3	349.0	25.6	3.8	(1.1)	0.6	(0.3)	2.5	0.7	10.1	-	-
11/3	207.1	32.1	2.5	(1.2)	0.9	(0.6)	1.8	(0.7)	(1.7)	-	-
12/3	499.3	40.4	18.3	(1.7)	1.1	(0.7)	16.5	7.8	7.4	-	-
13/3	500.3	48.2	24.5	0.0	1.1	(0.4)	27.4	16.8	29.5	-	-
14/3	565.1	53.1	31.7	1.0	1.6	(0.4)	49.6	29.3	40.7	-	-
15/3	562.5	60.4	32.0	(1.4)	2.2	(0.6)	45.8	20.7	34.8	-	-
16/3	447.6	68.6	37.6	0.1	2.1	(1.1)	47.9	22.5	14.9	-	-
17/3	428.9	74.1	41.5	4.8	1.9	(1.5)	62.7	39.0	36.1	-	-
18/3	427.5	81.1	51.0	2.1	2.0	(2.5)	53.7	42.9	58.5	-	-
19/3	484.3	92.0	64.2	2.1	4.5	(3.9)	71.5	49.5	54.4	2.4	2.4
20/3	524.5	113.4	73.0	4.6	7.1	(5.0)	80.0	51.6	44.1	27.1	(34.5)
21/3	559.4	108.3	69.2	4.8	8.1	(5.8)	82.1	54.6	130.4	10.8	64.9
22/3	573.0	127.0	83.5	6.3	11.1	(6.9)	108.5	87.5	114.0	13.9	11.9
23/3	643.9	127.0	86.6	8.5	18.0	(7.7)	118.4	91.3	134.0	16.2	25.8
24/3	601.9	151.0	94.5	13.0	30.5	(9.0)	168.0	122.2	265.8	49.9	88.7
25/3	686.5	167.1	105.0	17.7	39.8	(11.9)	150.7	117.5	162.1	25.2	18.5
15-year CAGR	4%	12%	24%	-	30%	27%	31%	39%	20%	-	-

* Equity-method investment gains/losses are gains and losses excluding one-time recognition of negative goodwill.

Annual Growth Rate for 15 Fiscal Years (2)

(Billion JPY)

	Balance Sheet								Capital Efficiency	
	Net Cash Asset	Total Asset	Installment Lease Receivable	Net Asset	Net Asset before shareholder return*	Equity	Equity Ratio	Interest bearing debt	Hypothetical consolidated ROA	Hypothetical consolidated ROE
10/3	46.9	217.5	0.1	114.0	25.2	107.0	49.2%	23.1	-	-
11/3	21.5	228.8	2.8	109.4	25.7	100.0	43.7%	28.0	-	-
12/3	41.5	231.0	3.0	106.1	31.6	97.2	42.1%	23.0	-	-
13/3	90.0	251.2	10.3	123.8	58.9	115.6	46.0%	26.0	-	-
14/3	114.9	338.8	20.8	143.6	105.7	130.0	38.4%	59.3	-	-
15/3	104.2	393.3	33.5	175.5	141.6	161.2	41.0%	99.6	-	-
16/3	68.2	408.0	36.0	172.7	145.3	158.6	38.9%	41.7	-	-
17/3	74.7	511.4	41.0	193.6	181.5	180.4	35.3%	59.3	-	-
18/3	115.8	685.6	51.5	241.5	246.2	225.2	32.9%	99.6	-	-
19/3	139.4	804.2	58.0	273.5	300.3	257.2	32.0%	320.1	-	-
20/3	195.2	972.0	80.0	318.5	363.9	285.7	29.4%	399.6	9.8%	23.2%
21/3	321.4	1,256.8	99.8	429.0	495.2	393.4	31.3%	514.1	10.2%	18.8%
22/3	343.6	1,451.3	128.6	499.3	602.6	468.6	32.3%	612.6	11.4%	28.2%
23/3	440.2	1,691.9	159.7	598.3	733.1	571.0	33.7%	721.7	10.6%	21.6%
24/3	774.0	2,078.9	136.7	819.2	995.3	790.4	38.0%	822.4	9.1%	22.5%
25/3	824.3	2,371.0	164.7	943.5	1,158.7	914.7	38.6%	934.3	9.6%	19.9%
15-year CAGR	21%	17%	63%	15%	29%	15%	-	27%	-	-

* From 10/3 to 25/3, cumulative share buybacks amounted to 103.0 billion yen, and dividend payments totaled 221.7 billion yen, resulting in total shareholder returns of 324.8 billion yen.

Annual Growth Rate for 15 Fiscal Years (3)




(Billion JPY)

	Per share			Shareholder return		Employee		
	EPS (Yen)	BPS (Yen)	Dividend (Yen)	Share repurchase	Dividend payout	Employee (on average, person)	Revenue per capita (million yen)	Operating profit per capita (million yen)
10/3	13	1,967	60	4.2	3.2	8,768	4.1	0.0
11/3	(13)	1,879	60	2.0	3.1	7,461	2.5	0.0
12/3	149	1,924	70	5.5	3.5	8,570	6.0	0.2
13/3	343	2,374	94	6.5	4.5	8,281	6.0	0.2
14/3	623	2,842	140	22.0	6.4	11,198	6.2	0.3
15/3	450	3,488	160	1.3	7.3	12,367	4.7	0.2
16/3	485	3,413	186	3.0	8.6	12,083	3.6	0.2
17/3	840	3,896	240	4.3	11.1	10,463	3.8	0.3
18/3	927	4,878	300	3.0	13.8	8,667	4.4	0.5
19/3	1,075	5,607	351	6.0	16.1	7,572	5.9	0.7
20/3	1,126	6,227	402	0.0	18.4	8,033	6.7	0.9
21/3	1,190	8,574	456	0.0	20.9	7,224	7.3	0.9
22/3	1,927	10,379	491	14.7	22.2	6,802	8.1	1.1
23/3	2,037	12,773	545	7.0	24.4	5,697	10.8	1.4
24/3	2,753	17,906	638	13.0	28.2	4,993	12.0	1.7
25/3	2,671	20,845	661	10.0	29.0	4,861	14.1	2.1
15-year CAGR	42%	17%	17%	-	15%	(3%)	8%	29%

Fiscal Year Ended March 2025

Performance

(Billion JPY)

	25/3	YoY	Main factors
	Results		
Revenue	 686.5	+14%	
Recurring Operating Profit	 167.1	+10%	Strong performance in the Electricity, Insurance and Solution Businesses
Operating Profit	 105.0	+11%	-
Income before Tax	150.7	(10%)	Foreign exchange loss of 2.7 billion yen (loss of 30.8 billion yen YoY)
Income before Tax excluding foreign exchange gains and losses	154.2	+10%	
Net Income (attribute to owners of parent)	117.5	(3%)	-
Comprehensive Income (attribute to owners of parent)	162.1	(39%)	Gains on sale of securities: 25.2 billion yen Unrealized gains: 18.5 billion yen
(Reference) Operating profit excluding one-time gains and losses	104.9	+11%	Gains on business sale: 3.4 billion yen Impairment loss: 3.3 billion yen

* One-time gains and losses mainly indicate gains and losses on acquisition of or loss of control of subsidiaries, gains and losses on business transfers, gains and losses on sale of fixed assets and impairment losses.

Gains and Losses by Businesses

(1)Electricity & Gas : Robust sales and an increase in existing customers
 (2)Telecommunications : Stable sales
 (3)Beverage : Revenue declined due to taking business off balance sheet

(4)Insurance : Robust sales and an increase in existing customers
 (5)Finance : Performing well in overseas business
 (6)Solution : Business restructuring is proceeding on track in EPARK business

(Billion JPY)

		Revenue			Recurring Operating Profit			Customer Acquisition Cost			Operating Profit		
		24/3	25/3	YoY	24/3	25/3	YoY	24/3	25/3	YoY	24/3	25/3	YoY
		Full Year	Full Year		Full Year	Full Year		Full Year	Full Year		Full Year	Full Year	
Total		601.9	686.5	+14%	151.0	167.1	+10%	(56.4)	(62.0)	+9%	94.5	105.0	+11%
	Electricity & Gas	209.3	288.4	+37%	52.7	61.1	+15%	(24.7)	(25.7)	+4%	28.0	35.4	+26%
	Telecommunications	119.0	122.5	+2%	39.7	39.6	(0%)	(7.8)	(13.8)	+76%	31.9	25.7	(19%)
	Beverage	81.1	79.3	(2%)	29.1	30.7	+5%	(21.8)	(22.1)	+1%	7.2	8.5	+17%
	Insurance	23.8	26.9	+12%	10.7	13.1	+21%	(4.9)	(5.0)	+0%	5.7	8.0	+39%
	Finance	30.2	33.1	+9%	-	-	-	12.5	17.8	+42%	12.5	17.8	+42%
	Solution	28.5	28.0	(2%)	3.4	8.5	+147%	(1.8)	(5.6)	+203%	1.5	2.8	+82%
	Commission-based sales	109.7	108.0	(1%)	14.9	13.9	(7%)	(2.2)	(2.3)	+4%	12.7	11.5	(9%)
One-time gains and losses		-	-	-	-	-	-	0.4	0.1	-	0.4	0.1	-

Strong Sales

YoY Comparison in Customer Gains for the Fiscal Year Ended March 2025

Electricity & Gas			
High-Voltage	Low-Voltage	Total of Electricity	LP Gas
194%	124%	124%	376%

Telecommunications		Beverage	Insurance	Total of in-house products excluding Insurance and IT
Communication Line	IT	Beer Server	Small Amount & Short-Term Insurance	
119%	176%	168%	112%	121%

Fiscal Year Ended March 2025

Income before Tax

Income before tax excluding foreign exchange gains/losses increased by 73.5 billion yen from FY21/3

(Billion JPY)		21/3	22/3	23/3	24/3	25/3	From FY21/3
		Full year	Full year	Full year	Full year	Full year	
Income before tax		82.1	108.5	118.4	168.0	150.7	+68.5
Excluding foreign exchange gains/losses		80.6	98.0	112.6	139.9	154.2	+73.5
Operating Profit		69.2	83.5	86.6	94.5	105.0	+35.7
Equity-method investment gains/losses*		4.8	6.3	9.4	13.0	17.7	+12.8
Dividend income and Interest income		8.1	11.1	18.0	30.5	39.8	+31.7
Interest Expenses		(5.8)	(6.9)	(7.7)	(9.0)	(11.9)	(6.0)
Others		4.3	3.9	6.4	10.6	2.7	(1.5)
Foreign exchange gains/losses		1.5	10.4	5.7	28.0	(2.7)	(4.2)

Fiscal Year Ended March 2025

Cash Flow

*1: Increase in operating, installment, and lease receivables led by the growth of existing customers
*2: Mainly acquisitions of listed securities

Dividend income and interest income increased by 32% YoY

(Billion JPY)

	21/3	22/3	23/3	24/3	25/3	YoY
	Full year	Full year	Full year	Full year	Full year	
Business CF	73.2	74.3	82.4	124.3	75.6	(39%)
EBITDA	85.6	100.2	102.8	109.0	119.1	+9%
Operating Profit	69.2	83.5	86.6	94.5	105.0	+11%
Depreciation and Amortization	16.4	16.7	16.2	14.5	14.0	(3%)
Changes in Receivables and Payables	(12.5)	(25.9)	(20.4)	15.3	*1 (43.4)	(384%)
Dividend income and Interest income	10.6	14.2	20.9	33.8	44.9	+32%
Shareholder Return	(20.3)	(36.6)	(30.8)	(38.9)	(40.2)	+3%
Listed stock and bond investments	(84.7)	(88.2)	(87.5)	(81.7)	*2 (146.6)	+79%
Financing	115.6	99.1	102.2	102.7	107.8	+5%
Others (tax and interest expense)	(43.1)	(57.6)	(42.4)	(49.4)	(67.3)	+36%

Fluctuation of Equity Attribute to Owners of Parent

A growth of 124.2 billion yen from the end of previous year

(Billion JPY)

		21/3	22/3	23/3	24/3	25/3	Changes from 20/3
		Full year	Full year	Full year	Full year	Full year	
Equity attributable to owners of parent		393.4	468.6	571.0	790.4	914.7	914.7
	Balance at the End of the Previous Period	285.7	393.4	468.6	571.0	790.4	285.7
	Fluctuation for the period	+107.6	+75.2	+102.3	+219.4	+124.2	+629.0
	Net income attributable to owners of parent	+54.6	+87.5	+91.3	+122.2	+117.5	+473.2
	Gains (losses) on sales of securities	+10.8	+13.9	+16.2	+49.9	+25.2	+116.2
	Fluctuation of unrealized gain	+64.9	+11.9	+25.8	+88.7	+18.5	+210.0
	Shareholder Return	(20.3)	(36.6)	(30.9)	(38.6)	(40.2)	(166.8)
	Others	(2.3)	(1.5)	(0.1)	(2.8)	+3.2	(3.6)

Pure Investment Performance

Pre-tax IRR was 17% over the last 7 years

(Billion JPY)

	21/3	22/3	23/3	24/3	25/3	YoY
	Full year	Full year	Full year	Full year	Full-year	
Investment book value (A)	357.3	456.0	532.6	590.2	725.4	+22%
Unrealized Gain	148.4	162.0	226.6	411.1	444.6	+8%
Market value	505.8	618.0	759.2	1,001.3	1,170.0	+16%
Look-through Earnings (B) (last 12 months)	44.6	70.8	80.3	83.2	114.8	+38%
Earnings Yield (B)÷(A)	12.5%	15.5%	15.1%	14.1%	15.8%	+12%
Dividend yield (based on CF and book value, last 12 months)	2.7%	3.0%	3.4%	4.1%	3.9%	(0%)
Dividend Income (PL) (C)	7.3	10.6	14.5	18.6	21.5	+15%
Gain on sale of securities (D)	10.8	13.9	16.2	54.6	25.7	(52%)
Total (C)+(D)	18.1	24.6	30.7	73.2	47.2	(35%)

* "Look-through earnings" is calculated by multiplying operating profit of each of the companies we invested in by our stock holding ratio and adding all them up.

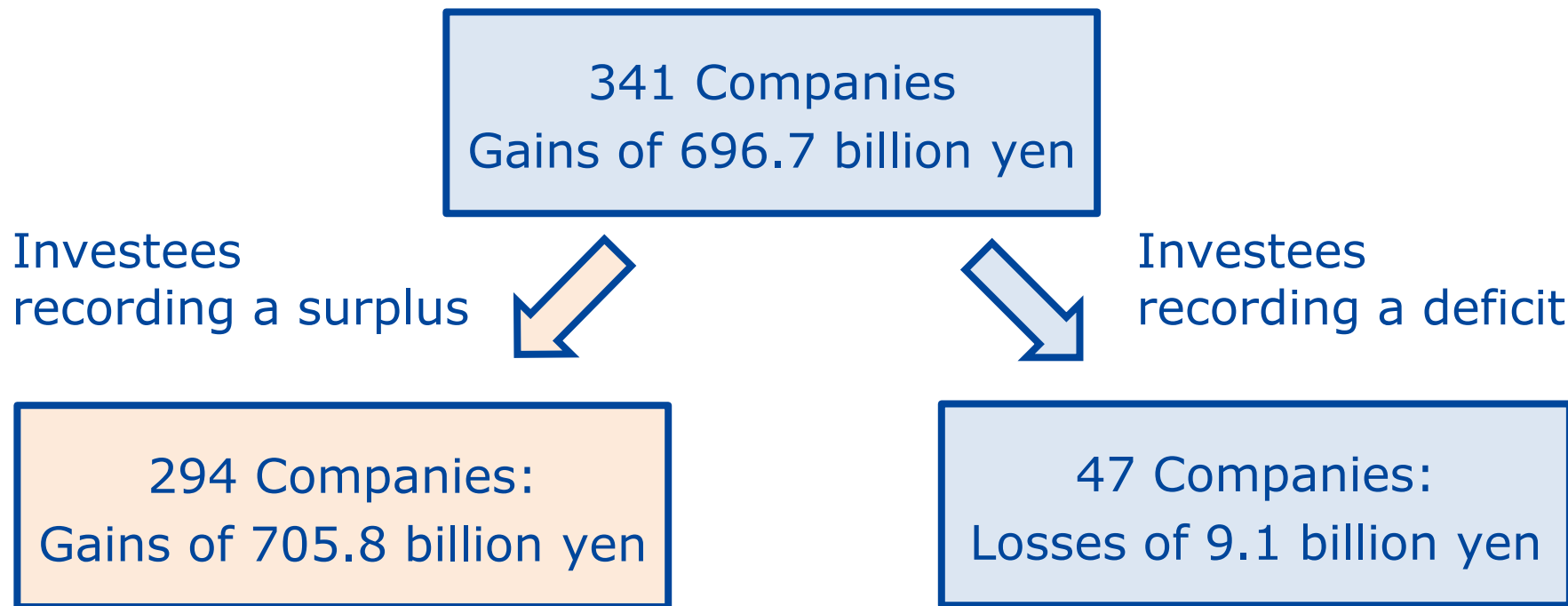
* "Last 12 months" means four quarters of the last 12 months from the record date for which financial results have been announced.

* Earnings Yield is calculated by dividing the investment book value (acquisition cost) by Look-through earnings

Total Gains and Losses of Pure Investment

(As of the end of March 2025)

(The investees with an acquisition cost of 0.5 billion yen or more including those already sold within the past ten years)



Loss-making investees are 47 out of 341 companies
1.3% of the total profit

*Gains/Losses = Unrealized gains/losses + Realized gains/losses + Dividend Incomes

Publicly Listed Equity-method affiliates

36 publicly listed equity-method affiliates as of the end of March 2025

Addition of three companies from the end of December 2024

	Company name	Voting rights ratio
1	ZAPPALLAS, INC.	47.4%
2	BENEFIT JAPAN Co.,LTD.	43.1%
3	INEST, Inc.	40.7%
4	MS&Consulting Co.,Ltd.	40.3%
5	SINANEN HOLDINGS CO.,LTD.	38.8%
6	Bell-Park Co.,Ltd.	37.5%
7	Last One Mile Co.,Ltd.	36.0%
8	MTI Ltd.	33.1%
9	TOUMEI CO.,LTD.	30.6%
10	Kusurinomadoguchi, Inc.	29.3%
11	ULURU.CO.,LTD.	29.2%
12	DAIICHI JITSUGYO CO.,LTD.	28.8%




	Company name	Voting rights ratio
13	SUNNEXTA GROUP Inc.	28.4%
14	TVE Co.,Ltd.	27.6%
15	DVx Inc.	27.2%
16	TOKUDEN CO., LTD.	26.7%
17	XNET Corporation	26.1%
18	Data Applications	25.7%
19	FORVAL CORPORATION	24.9%
20	CE Holdings Co.,Ltd.	24.7%
21	NISHIKAWA KEISOKU Co.,LTD.	24.3%
22	SANSEI CO.,LTD.	24.3%
23	Honyaku Center Inc.	23.2%
24	RAIZNEXT Corporation	22.8%

	Company name	Voting rights ratio
25	Inbound Tech Inc.	22.8%
26	Youji Corporation	22.3%
27	Techno Smart Corp.	22.1%
28	AKATSUKI EAZIMA CO.,LTD	22.0%
29	ERI HOLDINGS CO., LTD.	21.9%
30	TOHOKU STEEL Co.,Ltd	21.6%
31	Maruzen Co., Ltd.	21.4%
32	Encourage Technologies Co.,Ltd.	21.4%
33	Original Engineering Consultants Co., Ltd.	21.2%
34	FAN Communications, Inc.	20.7%
35	TOHO SYSTEM SCIENCE CO.,LTD.	20.6%
36	FreeBit Co.,Ltd.	20.1%

Fiscal Year Ending March 2026

Performance Forecast

(Billion JPY)

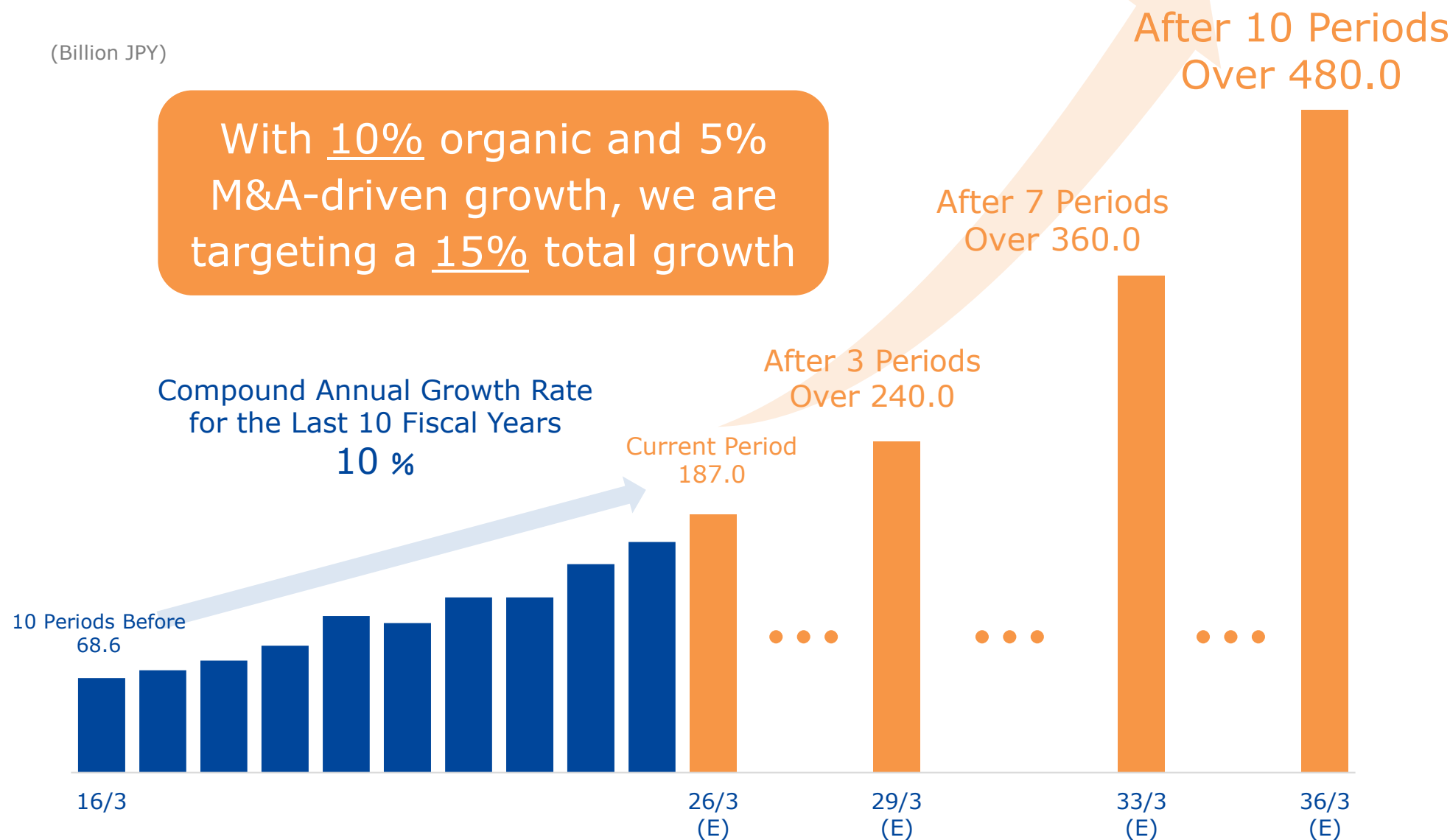
	26/3	YoY	Main factors
	Forecast		
Revenue	 760.0	+10%	-
Recurring Operating Profit	 187.0	+11%	Significant increase in the Electricity and Insurance Businesses
Operating Profit	 115.0	+9%	-
Income before tax	147.2	(2%)	Assumed USD/JPY exchange rate:146 yen (Foreign exchange loss: loss of 4.3 billion yen YoY)
Net Income (attribute to owners of parent)	100.0	(14%)	Same as above
(Reference) Customer Acquisition Cost excluding one-time gains and losses	(72.9)	+17%	Gain on acquisition of subsidiary: 0.9 billion yen
(Reference) Operating profit excluding one-time gains and losses	114.0	+8%	-

* One-time gains and losses mainly indicate gains and losses on acquisition of or loss of control of subsidiaries, gains and losses on business transfers, gains and losses on sale of fixed assets and impairment losses.

Outlook for Recurring Operating Profit

(Billion JPY)

With 10% organic and 5% M&A-driven growth, we are targeting a 15% total growth

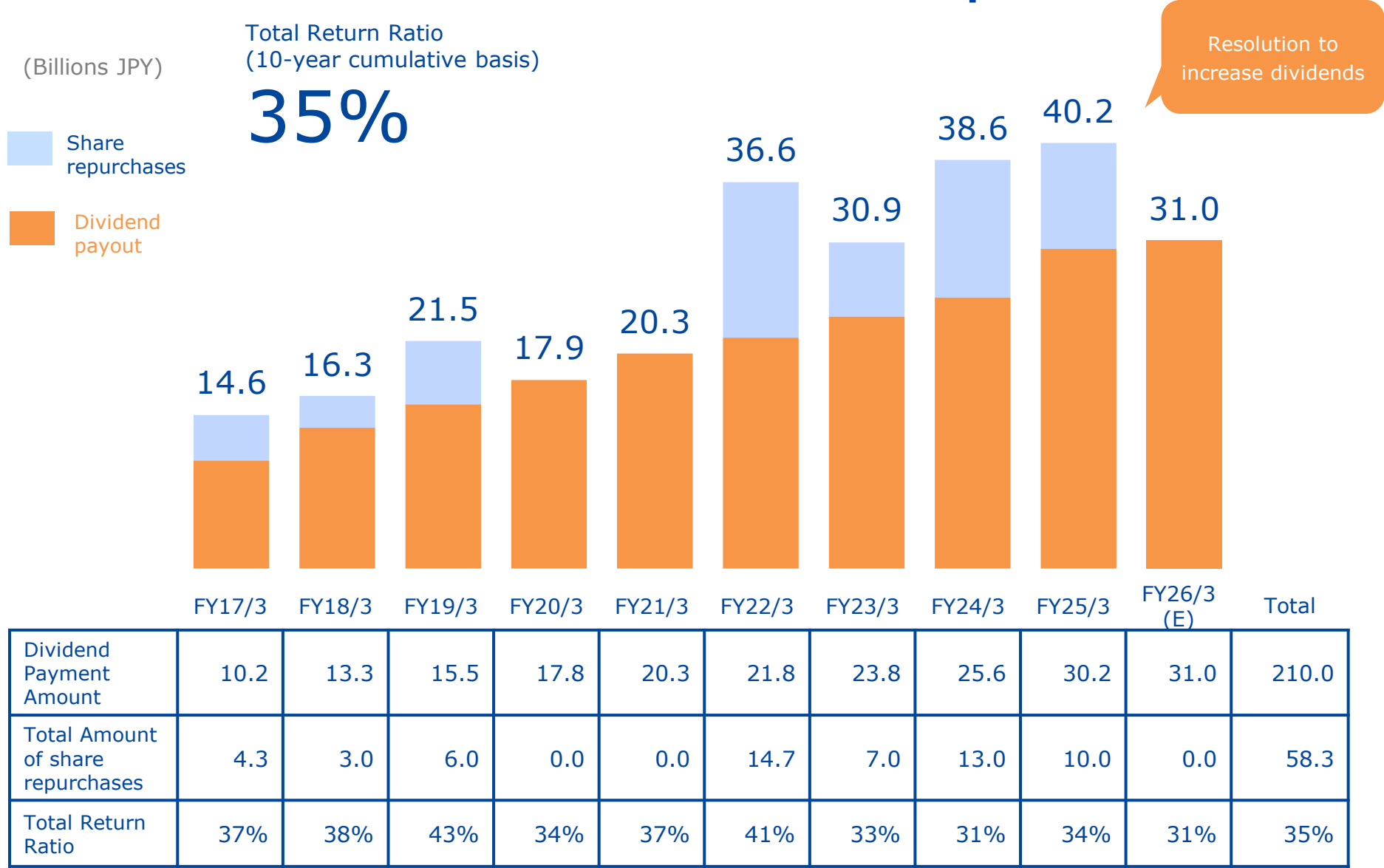


Upward Revision of Dividend Forecast

		24/3	25/3		
			Announced in February	Announced in May	YoY
Dividends per share	Total	¥638	¥651	¥661	+3%
	Excluding special dividends	¥588	¥651	¥661	+12%
Q1	Regular dividend	¥143	¥156	¥156	+9%
Q2	Regular dividend	¥145	¥161	¥161	+11%
Q3	Regular dividend	¥147	¥167	¥167	+13%
Q4	Regular dividend	¥153	¥167	¥177	+15%
	Special dividend	¥50	-	-	-

A 10 yen increase in Q4 dividend,
resulting in the total annual dividend 23 yen higher than the previous fiscal year.

Shareholder Returns Development



Summary (FY 25/3 and FY 26/3)

Business

- (1) FY 25/3: Revenue, recurring operating profit and operating profit marked all-time highs. Operating profit exceeded 100 billion yen for the first time.
- (2) FY 26/3: Expected to continue growing at approximately 10%.

Investment

- (1) EY was 15.8% with look-through earnings of 114.8 billion yen, up 38% YoY.
- (2) Dividend income and interest income (P&L) increased by 30% YoY (39.8 billion yen)

Shareholder Return

- (1) Dividend increase by 23 yen from the previous year, resulting in a record-high dividends per share.
- (2) Forecasting 15 consecutive years of dividend increase.
The total shareholder return ratio over the past 10 years is expected to reach approximately 35%.

Explanation of Terms and Disclaimer, etc.

■ Explanation of Terms

Term	J-GAAP	IFRS
Sales	Sales	Revenue
Net income	Net income	Net income attributable to owners of parent
Equity	Equity	Equity attributable to owners of the parent
EPS	Earnings per Share	Basic earnings per Share
BPS	Book value per share	Equity per Share attributable to owners of the parent

- * Japanese GAAP applied before FYE 3/15, and IFRS applied after FYE 3/16
- * Results for in-house and third-party products prior to FYE 3/18 are provisional figures as they were before the change in reporting segments.
- * ROA: By dividing operating profit by total assets (the average during the period)
- * ROE: By dividing net income attributable to owners of parent by equity (the average during the period)
- * "Hypothetical consolidated performance" is the sum of the "consolidated performance" and the "performance using equity method" calculated by multiplying the figures of each company we invested in by our stock holding ratio. It represents the real performance of the Company
- * Hypothetical consolidated ROE: By dividing hypothetical consolidated net income attributable to owners of parent by equity (the average during the period)
- * Sales per capita: By dividing sales by the number of employees (the average during the period)
- * Operating profit per capita: By dividing operating profit by the number of employees (the average during the period)

■ Notes in regard to this material

Disclaimer

Information mentioned in this material, other than that related to historical and current facts, is determined based on information currently available to HIKARI TSUSHIN and hypotheses built. Since information may be affected by uncertainties included in such hypothesis and judgement, and by changes in the future economic environment, etc., it may differ from future performance of the Company and the HIKARI TSUSHIN Group.

The forward-looking statements contained in this material are prepared as of the date of this material (or the date otherwise specified) as mentioned above. The Company neither has an obligation nor policy to update such forward-looking statements with the latest information whenever necessary.

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