



eSOL Co., Ltd.

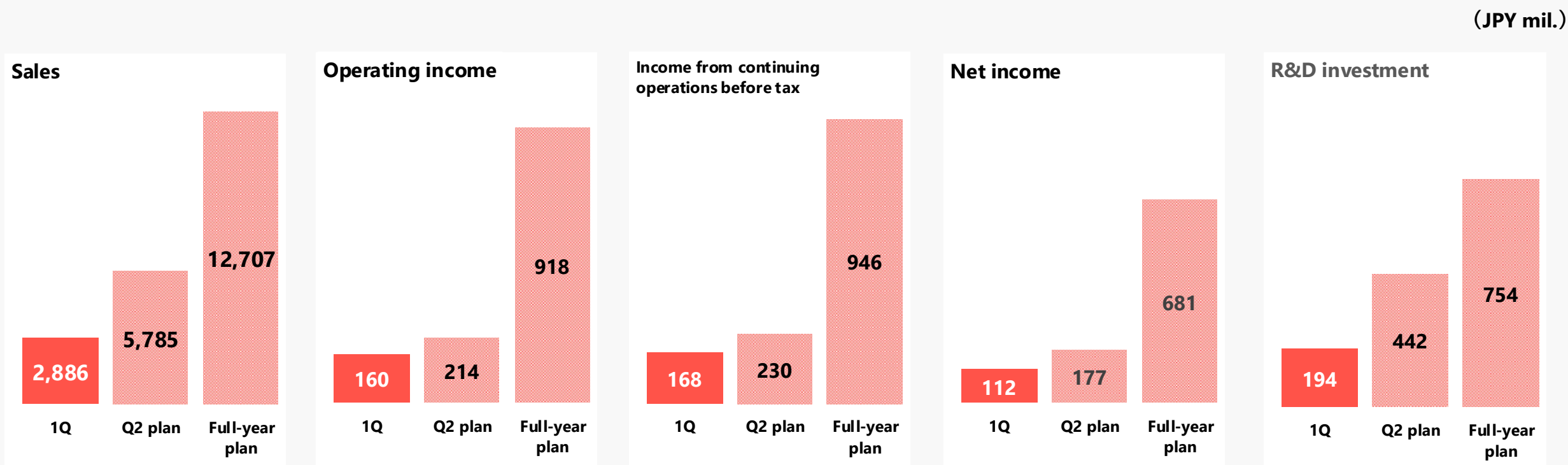
Report 2025 First Quarter Results

May 13 , 2025



Progress of planned value

Progress is generally in line with the plan announced on February 14, 2025.



Year-over-year

As planned for the current fiscal year, one-time license income (for embedded software products) from the previous fiscal year is absent as planned in the current fiscal year, but engineering services grew significantly showing the strong overall growth.

	(JPY mil.)			
	Q1 FY 2024	Q1 FY 2025	△	YoY
Sales	3,107	2,886	▲221	▲7.1%
Cost of goods sold	1,804	2,012	+208	+11.5%
Revision up	203	66	▲136	▲67.2%
Gross profit	1,303	874	▲429	▲32.9%
SG&A	842	713	▲128	▲15.3%
R&D expenses	286	127	▲158	▲55.4%
Operating income	461	160	▲300	▲65.1%
Income from continuing operations before tax	467	168	▲298	▲63.9%
Net income	377	112	▲265	▲70.3%

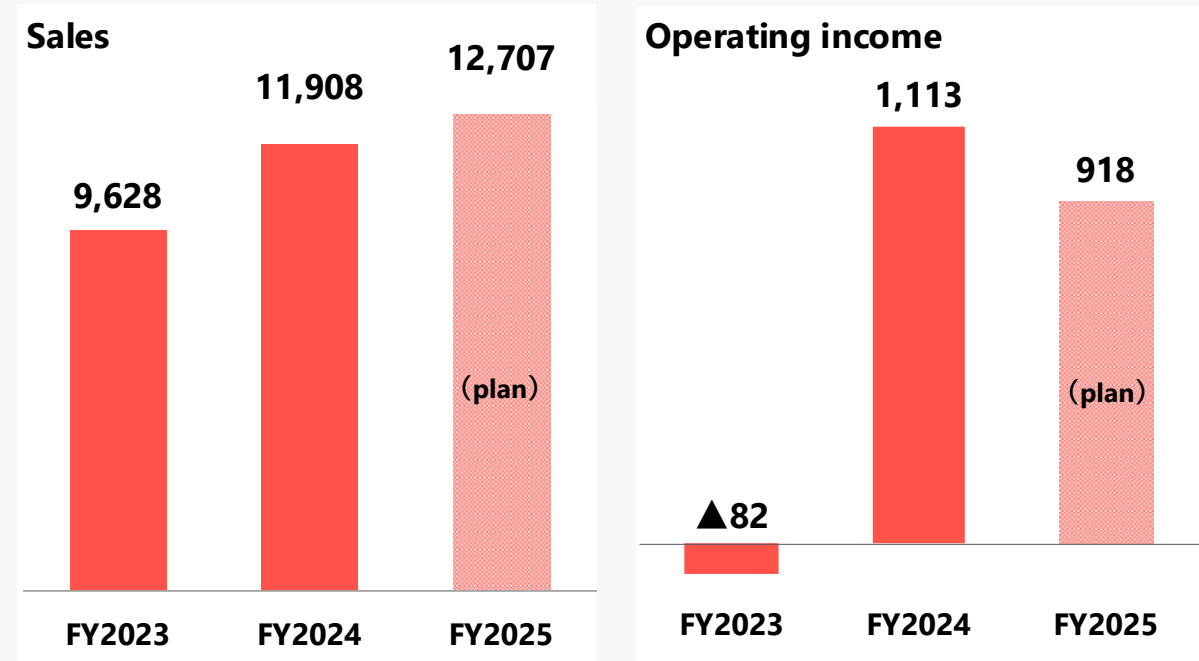
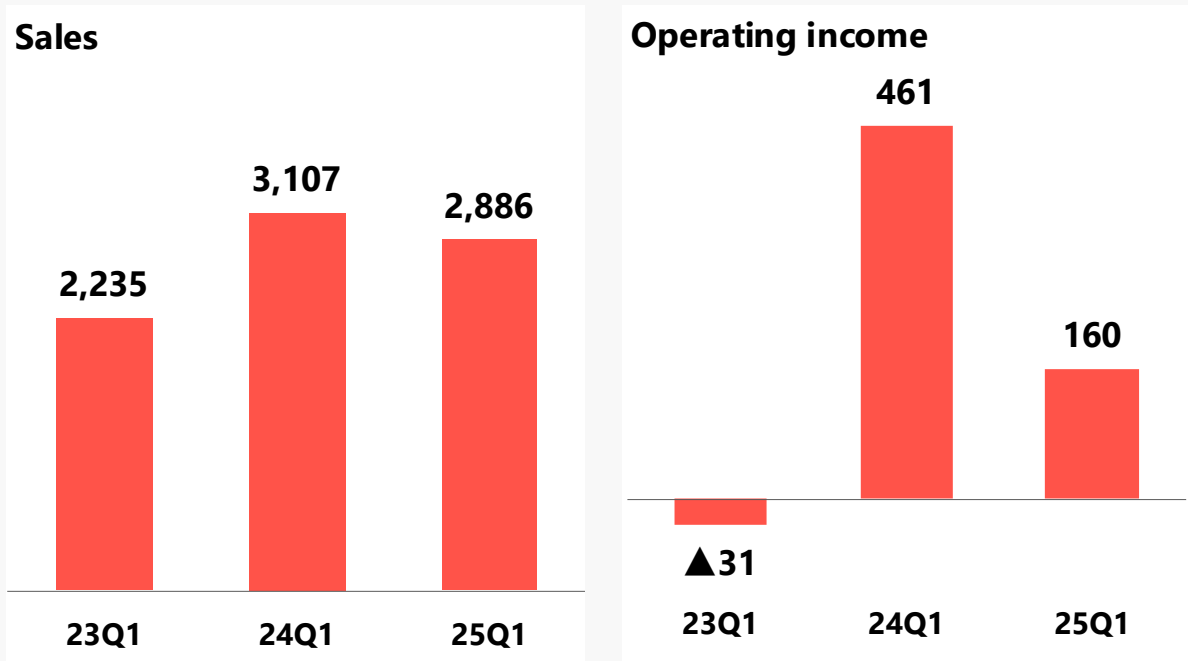
Sales (JPY mil.)				
by segment	Q1 FY 2024	Q1 FY 2025	△	YoY
Embedded Software Business	2,987	2,750	▲237	▲7.9%
Embedded Software Products	926	278	▲648	▲70.0%
Engineering Services	2,061	2,472	+411	+19.9%
Sensing Solution Business	134	136	+1	+1.2%
Adjustments for consolidation	▲14	-	+14	-

Operating income (JPY mil.)				
by segment	Q1 FY 2024	Q1 FY 2025	△	YoY
Embedded Software Business	472	168	▲304	▲64.3%
Sensing Solution Business	0	▲7	▲8	-
Adjustments for consolidation	▲12	-	+12	-

Comparison over the last three years

Stable profitability for two consecutive fiscal years

(JPY mil.)

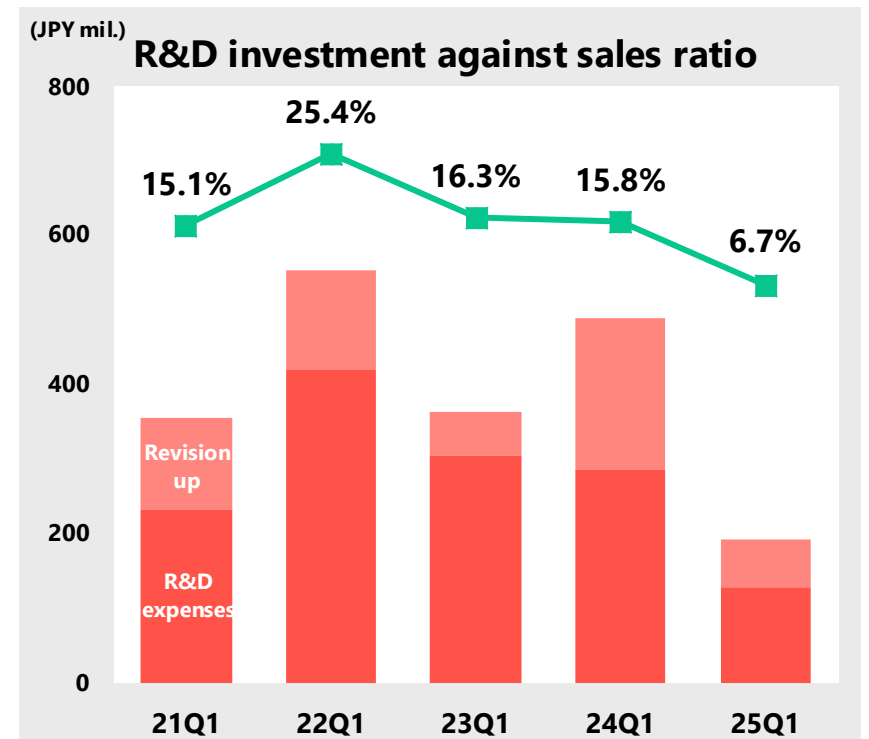


R&D investment

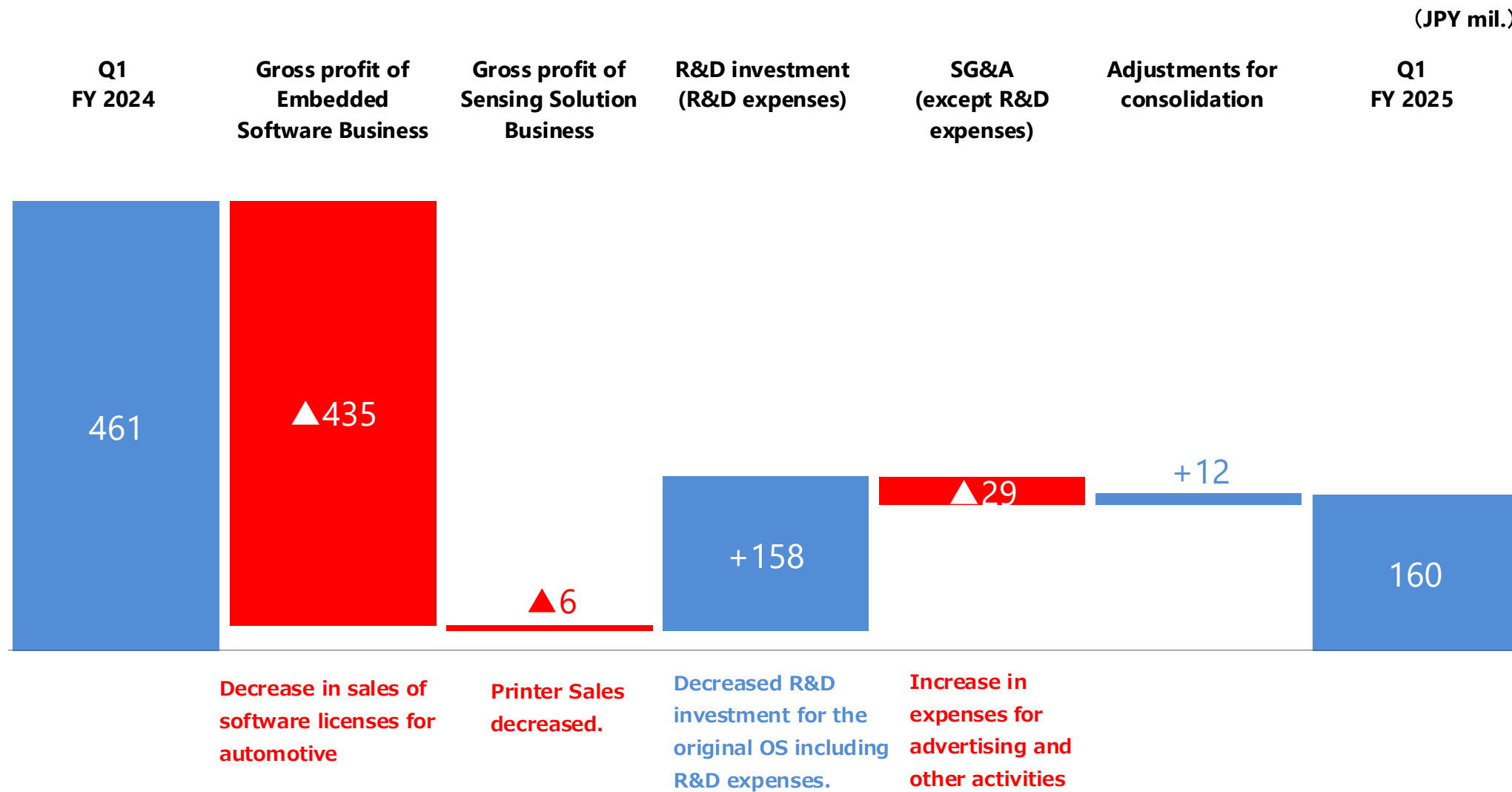
R&D expenses was reduced this fiscal year due to increase in funding-like engineering services from strategic customers resulting in the net advancement in the product features.

(JPY mil.)				
	Q1 FY 2024	Q1 FY 2025	△	YoY
Sales	3,107	2,886	▲221	▲7.1%
R&D investment	489	194	▲295	▲60.3%
R&D expenses	286	127	▲158	▲55.4%
Revision up	203	66	▲136	▲67.2%
Investment against sales ratio	15.8%	6.7%	-	-

R&D expenses	<ul style="list-style-type: none">- Investment in new products- Allocated to Cost of Selling
Revision up	<ul style="list-style-type: none">- Investment to update existing products- Allocated to Cost of goods sold

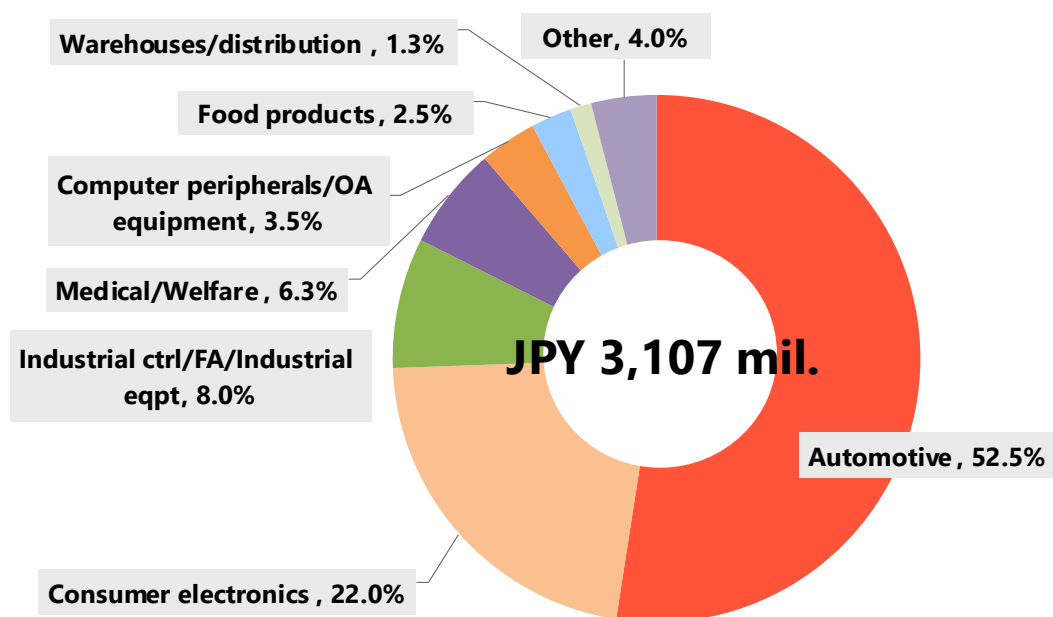


Walk of operating income

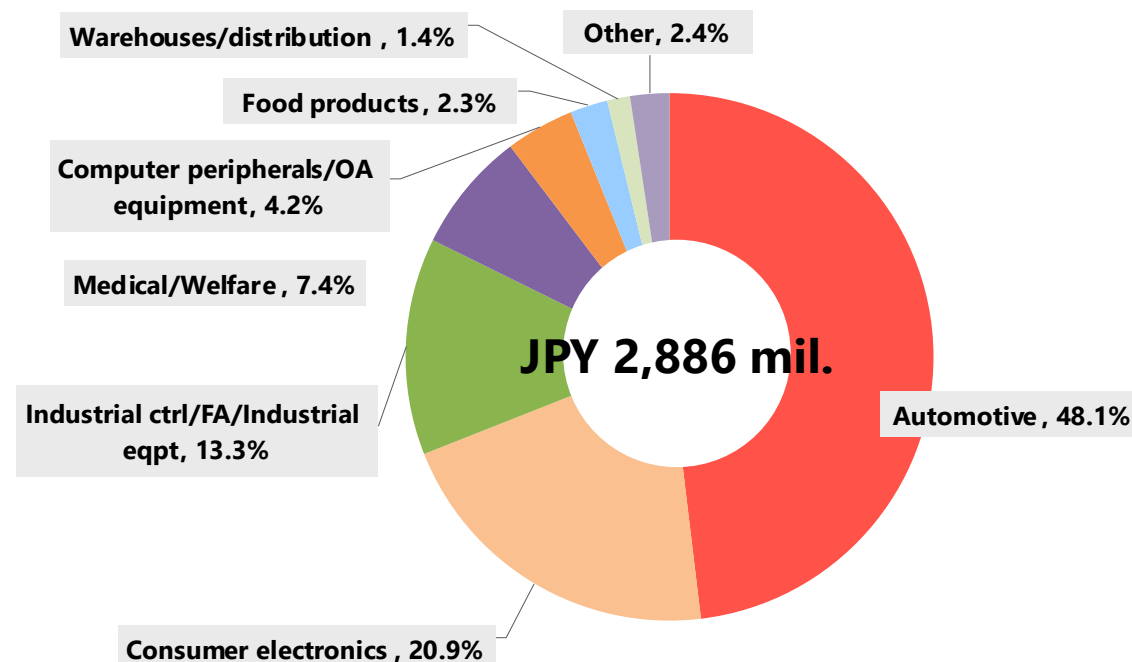


Sales by segments of customers

Stable, with about 50% of sales in the automotive sector and the remaining 50% in a wide range of sectors



24Q1



25Q1

Shareholder Return

eSOL will remunerate shareholders in accordance with the following policies:

- **The dividend policy for the current fiscal year is based on stabilization of the financial base, stable dividends, and investment in measures to increase corporate value through retained earnings.**
- **Dividends are planned to be the same amount as the previous fiscal year.**
- **Considering review of dividend policy in line with growth strategy for the future**

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Dividend per share	5.50yen	5.50yen	5.50yen	5.50yen	5.50yen
(interim dividend included)	(1.50yen)	(1.50yen)	(1.50yen)	(1.50yen)	(1.50yen)
Dividend payout ratio	55.8%	-	82.1%	12.0%	15.3%

PLAN

Notes on this document

Any statements contained in this document that are not historical facts are forward-looking statements based on publicly available information at the time of issuing this document, and therefore, will not guarantee such as the result of operation in the future.

All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations.

Risks and uncertainties above include but not limited to factors for economical condition in Japan or overseas and trend in the related industries.

eSOL undertakes no obligation to publicly update or revise any forward-looking statements notwithstanding new information or events.

Information other than eSOL group contained in this documents is publicly known, and also, eSOL undertakes no obligation to guarantee its accuracy or adequacy.

Contact

IR, CEO Office,

e-mail : esol-ir@esol.co.jp

WEB: <https://www.esol.com/>



Challenge with Passion