

# **AVAL DATA CORPORATION**

**Financial Results for the year ended March 31, 2024**

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[Period : April,2023-March,2024]
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**May 21,2024**

# 1. Company Profile

# Company Profile

## Aval Data Corporation

<b>Headquarters/Machida Office</b>	<b>Machida City, Tokyo</b>
<b>Atsugi Plant</b>	<b>Atsugi City, Kanagawa</b>
<b>Ebina Office</b>	<b>Ebina City, Kanagawa</b>
<b>Date of establishment</b>	<b>August, 1959</b>
<b>Capital stock</b>	<b>¥2,354,090,000</b>
<b>Number of employees</b>	<b>204 (As of March 31, 2024)</b>
<b>ISO 9001 quality system certification acquired. (1995)</b>	
<b>ISO14001 quality system certification acquired. (2001)</b>	
<b>Land area</b>	<b>6,426m<sup>2</sup> (Machida 1,977m<sup>2</sup> / Atsugi 4,449m<sup>2</sup>)</b>
<b>Total floor area</b>	<b>8,172m<sup>2</sup> (Machida 2,957m<sup>2</sup> / Atsugi 3,977m<sup>2</sup>)</b>



**Headquarters  
Machida Office**



**Atsugi Plant**



**Ebina Office**

- 1959 | Toyo-tsushin-Kogyo corporation is established. The main plant is built in shibuya, Tokyo.
- 1979 | [The Pecker-1 \(PKW-5000\) portable PROM programmer](#) developed and launched. With this product, the Company made a full-scale entry into the field of in-house products.
- 1989 | Company name changed to Aval Data Corporation.
- 1991 | Aval Data shares registered on the over-the-counter market (currently listed on the TSE Standard Market)
- 2002 | The AIP-7000 high-performance image processing LSI developed.
- 2011 | The CoaXPress standard established by the JIIA approved as an international standard at a regular inter-association meeting with the AIA/EMVA.
- 2013 | The Atsugi Business Site received a medical device manufacturer's license (license no. 14BZ200171) in the general field.
- 2015 | InGaAs short wavelength infrared camera developed and launched.
- 2017 | Aval Nagasaki transferred to Tokyo Electron Device Limited.
- 2018 | Aval Global Co., Ltd. established as a joint venture with TS Corporation of South Korea.
- 2022 | Ebina Office opened in front of Ebina Station, Kanagawa. Moved to the sales department.

## Embedded Solution Products

Leading technology and products in the Embedded market



Used by robot and digitizer/communicator

## Imaging Processing Solution Products

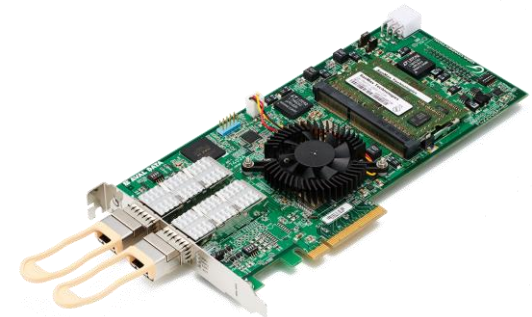
Top performance in Japan



Used by the knowledge of weakness and the designation of the place

## Hi-Speed Digitizers

High-speed data transfer

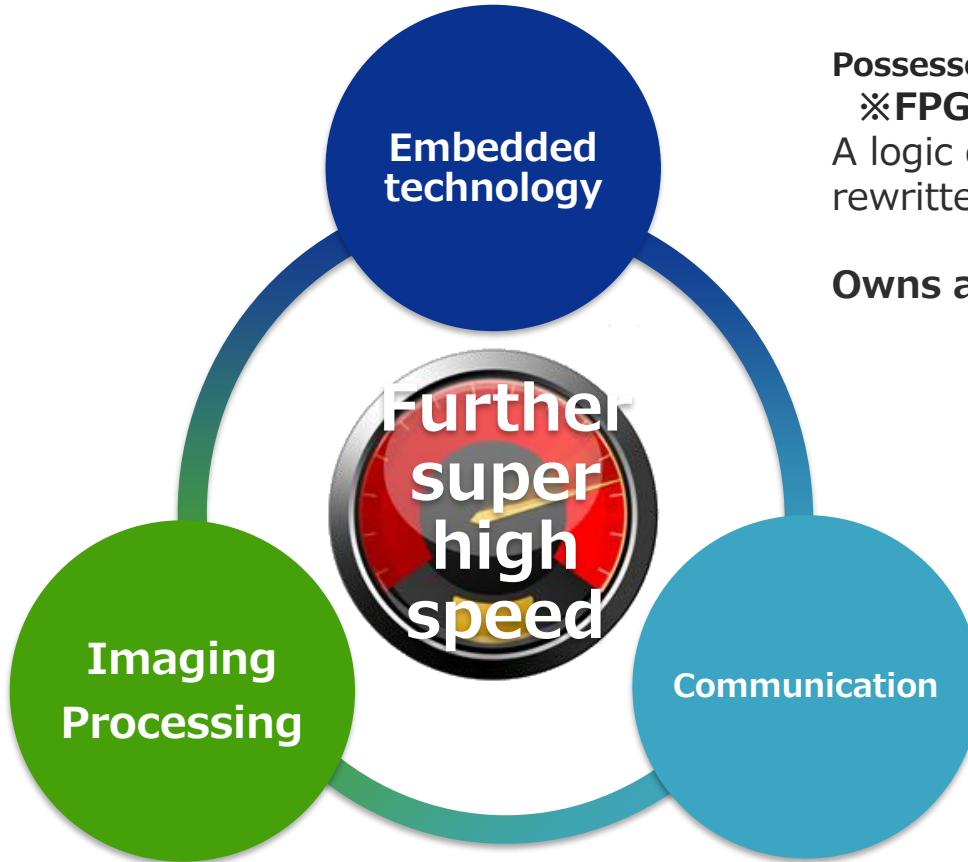


Used by high speed communication between equipment



Used by FPGA accelerator in the datacenter and so on.

## Further super high speed Products



Possesses advanced FPGA design technology

※FPGA (Field Programmable Gate Array)

A logic device whose circuit configuration can be rewritten.

Owens a **unique optical communication protocol**

Combining three types of expertise,  
we specialize in high-speed and optimized system design

## 2. Financial Results for the year ended March 31, 2024

[Period : April,2023-March,2024]

- **Custom Order Product's sales remained weak in the market of the semiconductor production equipment, continued a phase of adjustment throughout inventory.**
- **Sales in house products remained steady, as the difficulty in obtaining parts was resolved.**
- **Operating profit remained weak due to invest equipment and increase employee.**
- **Net income included Profit on sales of Cross-Shareholdings.**



# Financial Results for the year ended March 31, 2024 (65<sup>th</sup>)

**AVAL DATA CORPORATION**

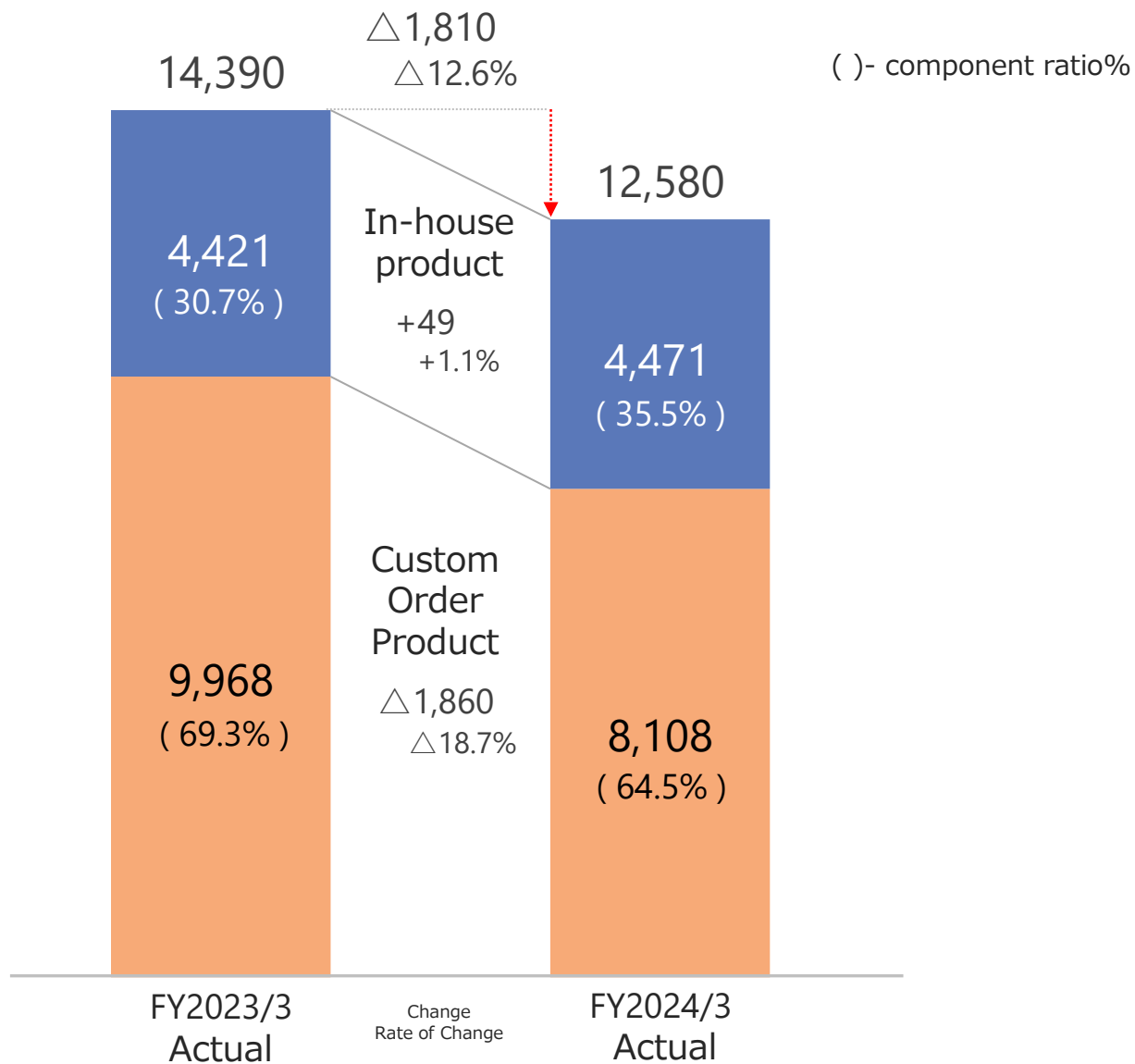
(Millions of yen)

Amounts of less than one million yen are rounded down.

Segment		Financial Results for the 2nd Quarter of the year ending March 31,2024		Financial Forecasts for the Fiscal Year ending March 31, 2024	
		Sales	Year-on-year changes	Sales	Year-on-year changes
In-house product	Embedded module	303	+ 47.5%	644	+ 23.5 %
	Image processing module	951	△ 1.2%	1,872	△ 4.1 %
	Measuring and communication equipment	971	+ 22.5%	1,820	△ 2.3 %
	Purchased item	71	+ 60.5%	134	+ 62.8 %
	Subtotal	2,296	+ 14.0%	4,471	+ 1.1 %
	Segment Profit	740	+ 4.5%	※ 1,387	△ 11.6%
Custom Order Product	Semiconductor manufacturing equipment	3,392	△ 32.6%	6,631	△ 25.7 %
	Industrial control system	472	+ 59.3%	1,026	+ 41.1 %
	Measurement equipment	242	+ 66.1%	450	+ 42.8 %
	Subtotal	4,106	△ 25.0%	8,108	△ 18.7 %
	Segment Profit	757	△ 1.0%	※ 1,444	△ 2.1%
Net sales		6,403	△ 14.4%	12,580	△ 12.6 %
Operating profit		1,168	△ 0.7%	2,095	△ 12.6 %
Ordinary profit		1,266	+ 2.0%	2,274	△ 8.9 %
Net income		919	+ 2.7%	5,256	+ 23.1 %

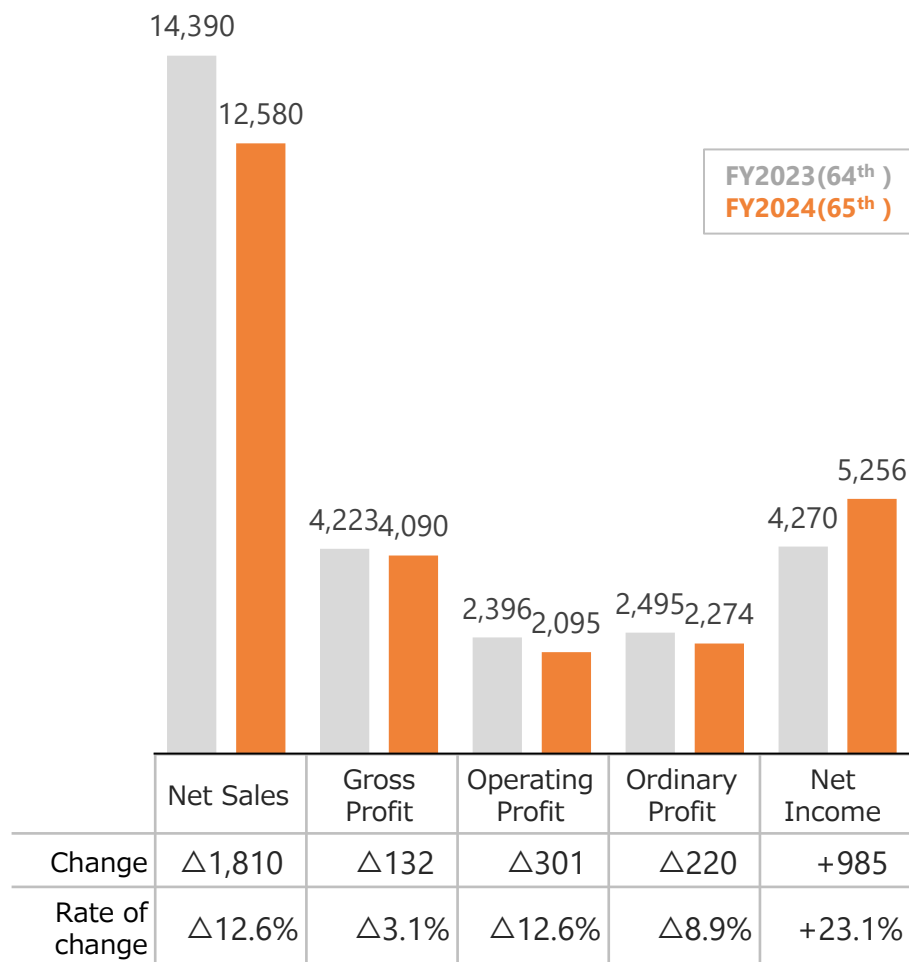
Note: Difference between total segment profit(2,831million yen) and operating profit(2,095million yen) is general administrative expense (736million yen)

# Financial Highlight by segment year-on-year for the year ended March 31, 2024 (65<sup>th</sup>)

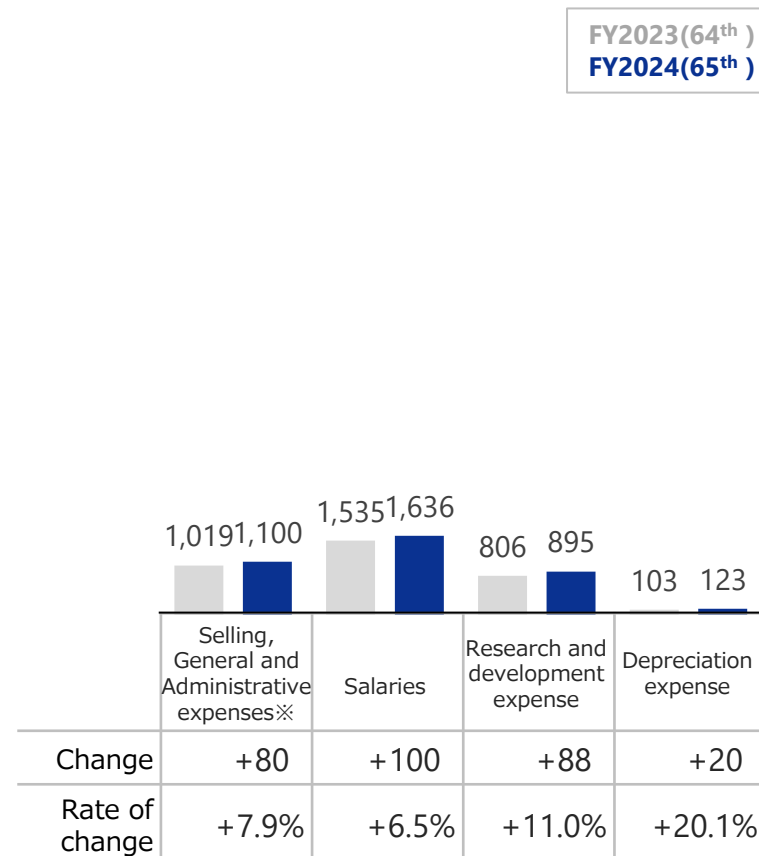


# Operating results year-on-year Comparison for the year ending March 31 (65<sup>th</sup>)

## Sales・Profit



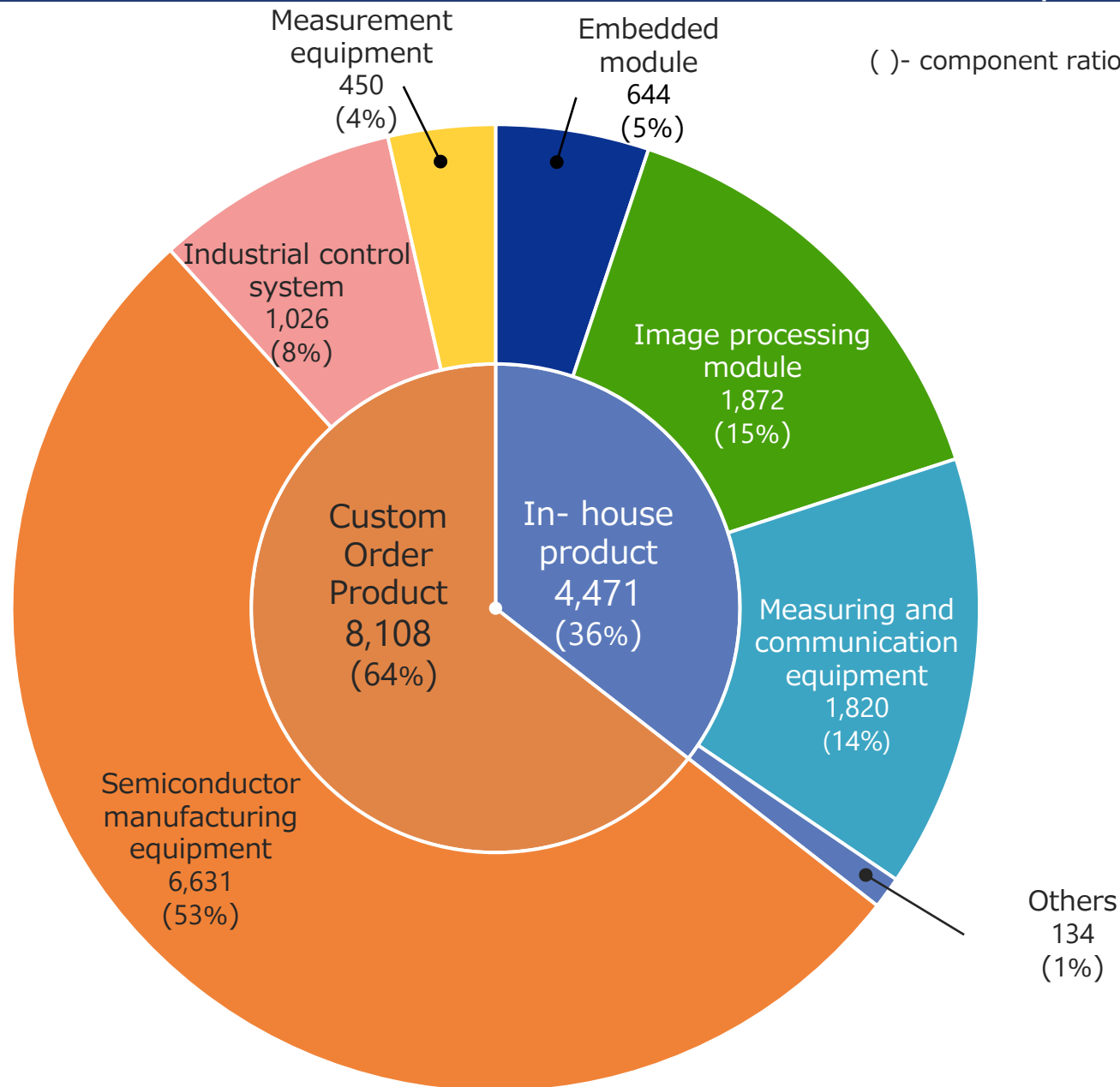
## Expense



※except research and development expenses

# Sales by segment for the year ending March 31, 2024 (65<sup>th</sup>)

( )- component ratio%



## In-house Product

### ● Embedded Module

**Sales of medical equipment and electric equipment increased by 23.5%**

➔ Sales 644million yen (Year on Year +122million yen +23.5%)

### ● Image processing module

**Sales remained steady, as the difficulty in obtaining parts was resolved except for some parts.**

➔ Sales 1,872million yen (Year on Year  $\Delta$ 80million yen  $\Delta$ 4.1%)

### ● Measurement equipment

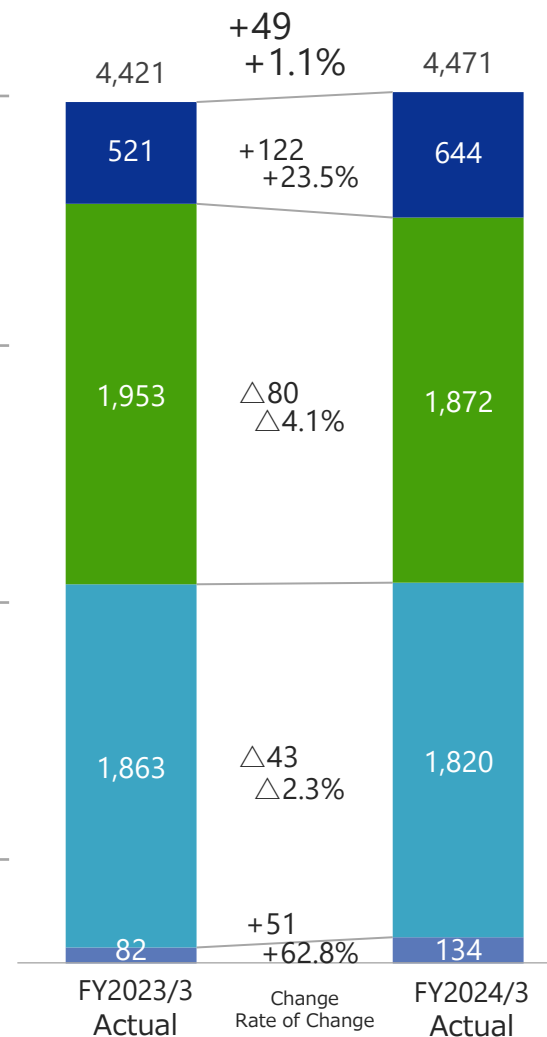
**Sales remained solid thanks to the recovery the customer for "GiGA CHANNEL"**

➔ Sales 1,820million yen (Year on Year  $\Delta$ 43million yen  $\Delta$ 2.3%)

### ● Others (In- house Product)

**Sales in house products remained steady**

➔ Sales 134million yen (Year on Year +51million yen +62.8%)



## Custom Order Product

### ● Semiconductor manufacturing equipment

Sales decreased. Although the price pass-through of high-priced components decreased, due to resolve the supply difficulties of components, backlogged products manufactured and progressed.

➔ Sales 6,631million yen (Year on Year  $\Delta$ 2,294million yen  $\Delta$ 25.7%)

### ● Industrial control system

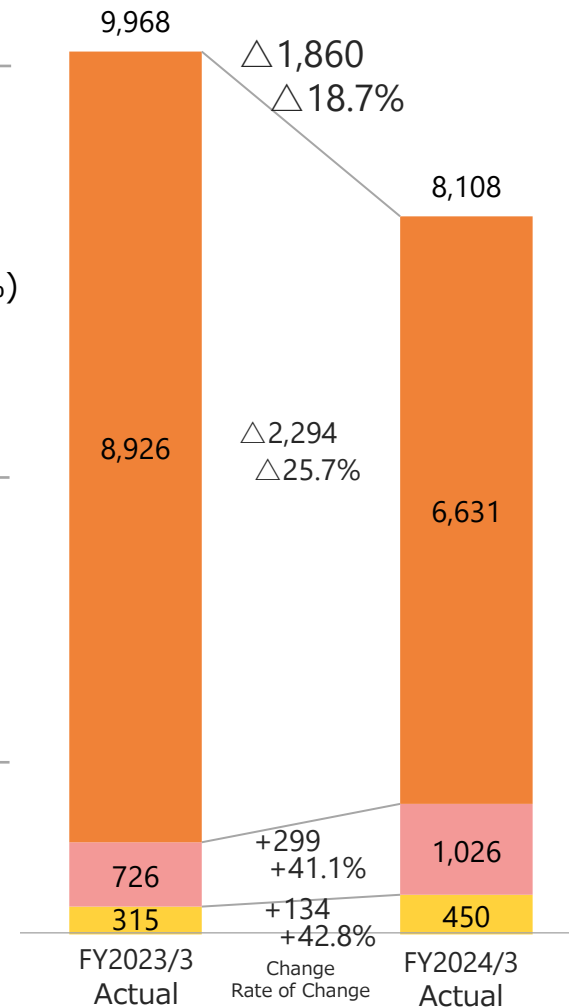
Industrial control system was in line with forecast due to progress in clearing the backlog of orders.

➔ Sales 1,026million yen (Year on Year +299million yen +41.1%)

### ● Measurement equipment

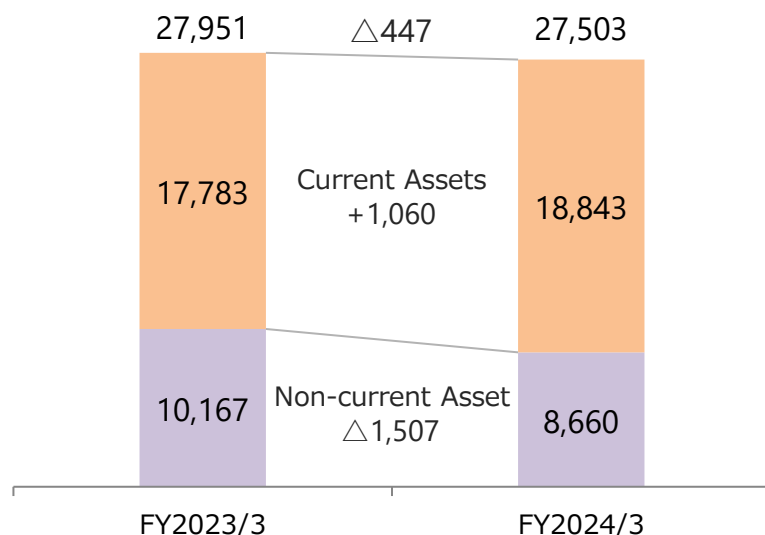
Sale remained steady thanks to increase the customer

➔ Sales 450million yen (Year on Year+134million yen +42.8%)



## ➤ ROE 82.8 % (8.1 point up)

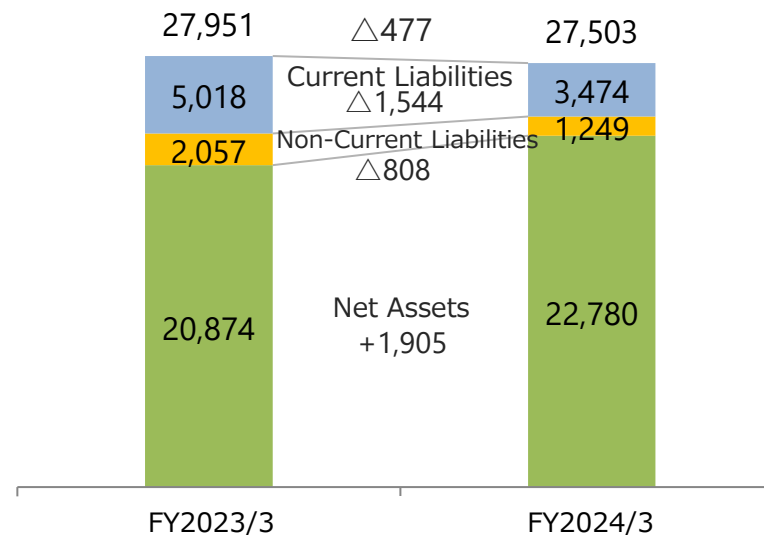
### ASSET



### Change

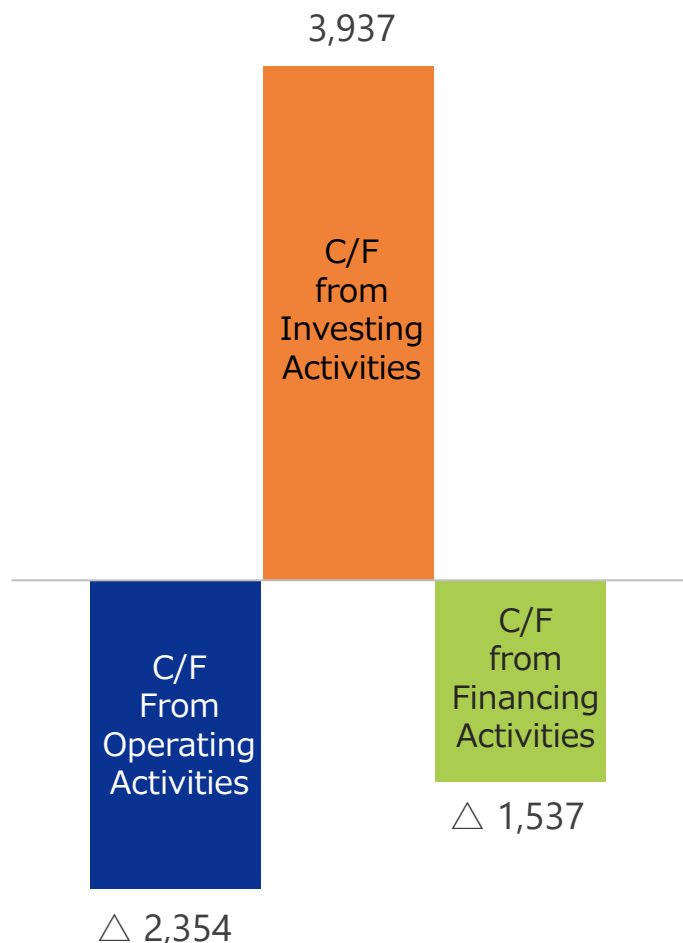
<b>Current Assets</b>	<b>1,060</b>
Cash & Cash Equivalents	45
Inventories	353
Raw materials and supplies	846
<b>Non-Current Assets</b>	<b>△ 1,507</b>
Investment securities	△ 2,433
Construction in progress	445
Buildings, Structures, Machinery, equipment, tools furniture fixtures, net	472

### LIABILITIES/NET Assets



### Change

<b>Current Liabilities</b>	<b>△ 1,544</b>
Note payable	△688
Accounts payable	△466
Accrued income taxes	△286
Accrued consumption taxes	△127
<b>Non-Current Liabilities</b>	<b>△ 808</b>
Deferred tax liabilities	△ 808
<b>Net Assets</b>	<b>1,905</b>
Shareholders' equity	3,717
Valuation difference on available-for-sale securities	△ 1,825



### Segment of main Cash Flow

<b>C/F from Operating Activities</b>	<b>△ 2,354</b>
Net Profit	7,428
Loss(gain) on sale of short-term and long-term investment securities	△ 5,154
Inventory	△ 1,130
Corporate Income Tax	△ 2,452
<b>C/F from Investing Activities</b>	<b>3,937</b>
Proceeds from sale of investment securities	5,139
Acquisition of property, plant and equipment	△ 1,021
<b>Free C/F</b>	<b>1,582</b>
<b>C/F from Financing Activities</b>	<b>△ 1,537</b>
Dividends paid	△ 1,536



### 3. Forecast for the year ending March 31, 2025

[Period : April,2024-March,2025]

# Forecast for the year ending March 31, 2025 (66th)

		Financial Forecast for the 2nd Quarter of the year ending March 31, 2025		Financial Forecasts for the Fiscal Year ending March 31, 2025	
Segment	Product	Sales	Year-on-year changes	Sales	Year-on-year changes
In-house product	Embedded module	210	△ 30.7%	590	△ 8.4 %
	Image processing module	930	△ 2.2%	1,870	△ 0.1 %
	Measuring and communication equipment	800	△ 17.6 %	1,650	△ 9.3 %
	Purchased item	30	△ 57.9%	90	△ 32.8 %
	Subtotal	1,970	△ 14.2%	4,200	△ 6.1 %
Custom Order Product	Semiconductor manufacturing equipment	3,380	△ 0.4 %	7,460	+ 12.5 %
	Industrial control system	420	△ 11.1%	1,070	+ 4.3 %
	Measurement equipment	230	△ 5.0%	570	+ 26.7 %
	Subtotal	4,030	△ 1.9%	9,100	+ 12.2 %
	Net sales	6,000	△ 6.3%	13,300	+ 5.7 %
	Operating profit	870	△ 25.6%	2,190	+ 4.5 %
	Ordinary profit	940	△ 25.8%	2,285	+ 0.5 %
	Net income	680	△ 26.1%	1,650	※△ 68.6 %

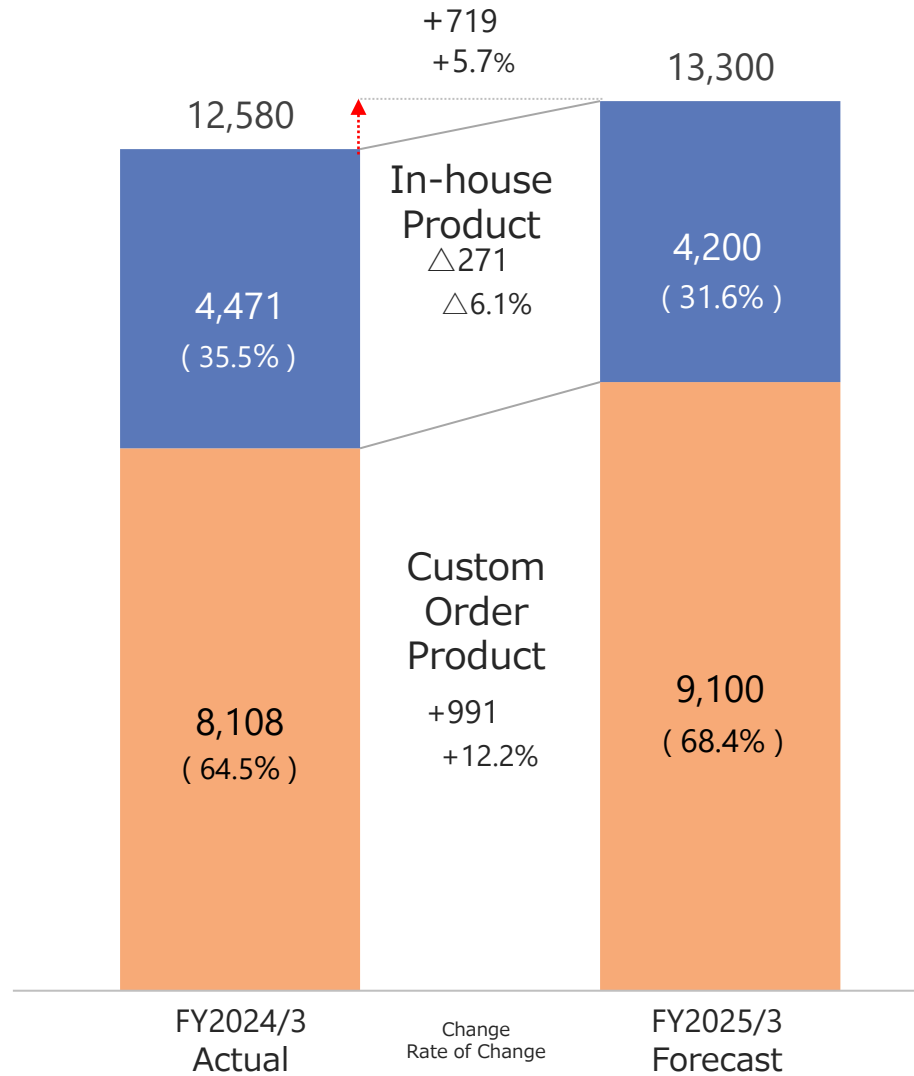
※Due to Net income for the year ending March 31, 2024 included Profit on sales of Cross-Shareholdings, the differences of Year-on-Year changes ratio is increased

# Forecast for the year ending March 31, 2025 (66th)

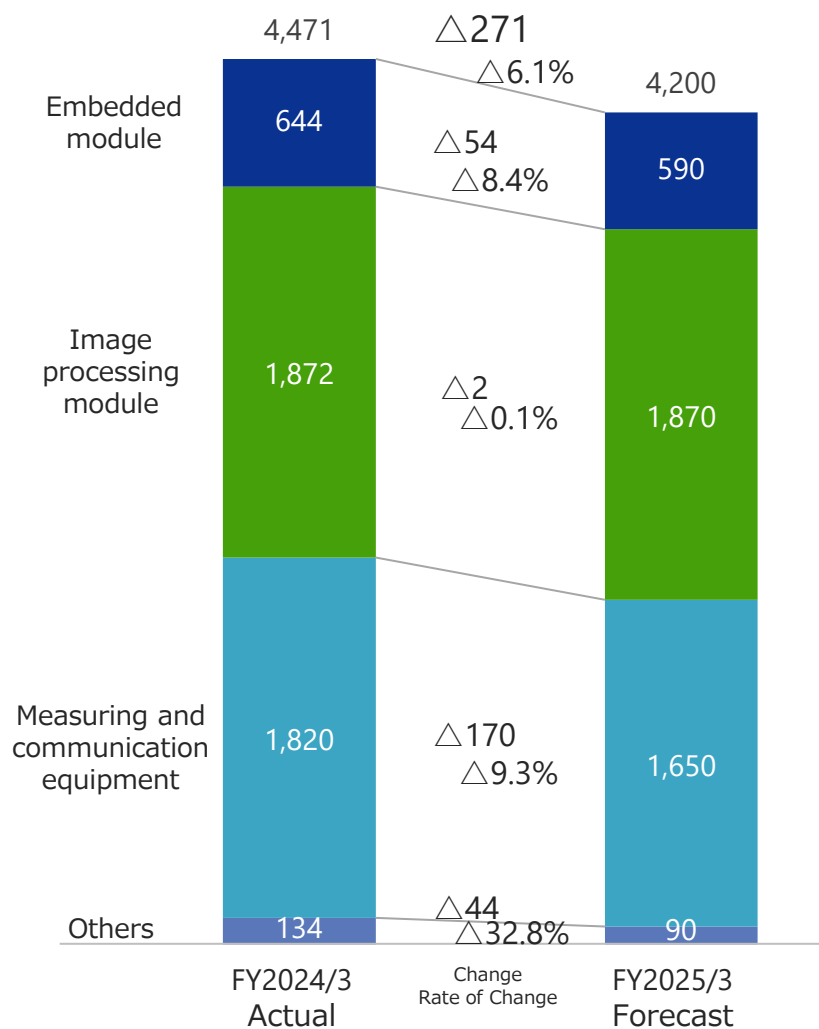
## By segment

Amounts of less than one million yen are rounded down.

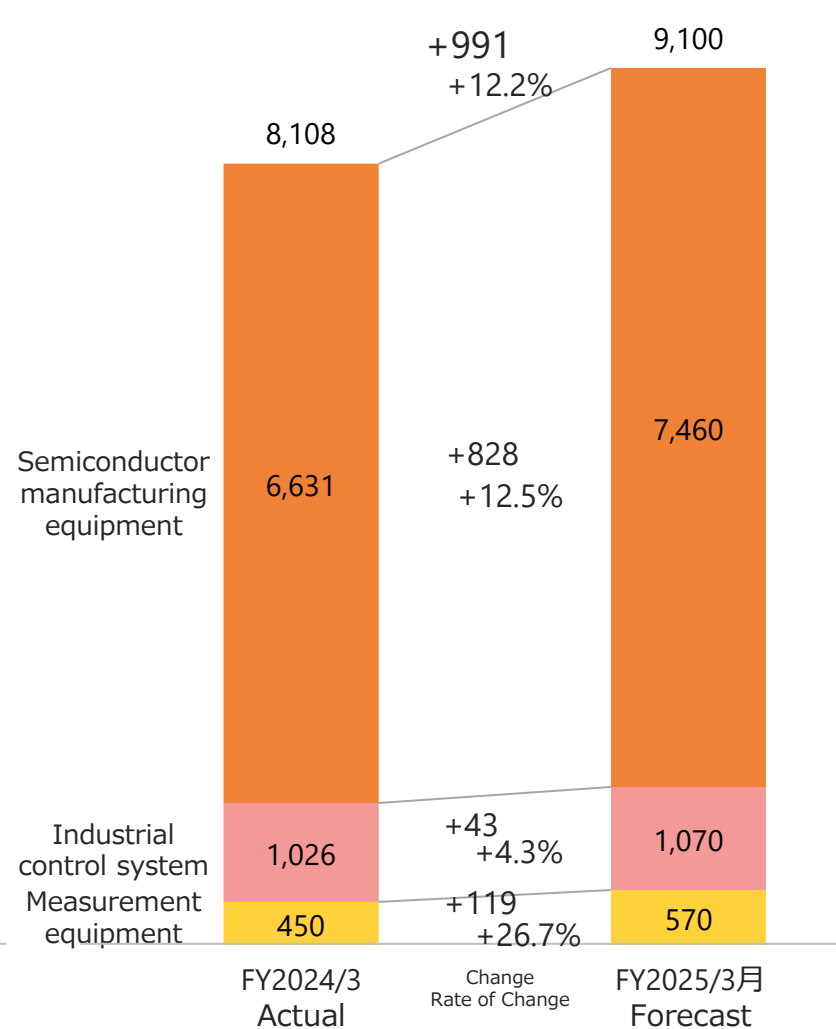
( )- component ratio%



### In-house Product



### Custom Order Product

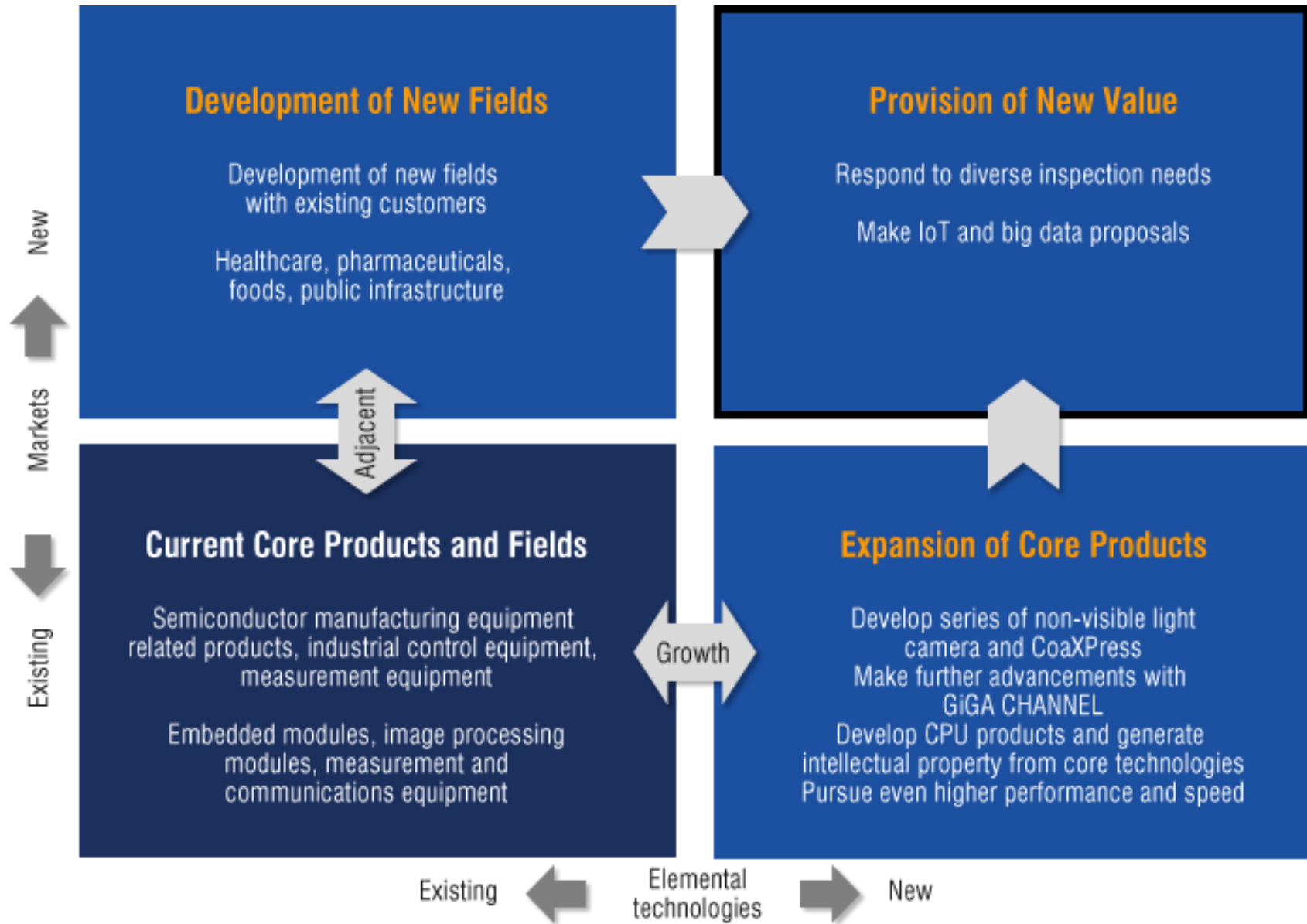


# 4.Next Aval

# SaaS

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simple and speed



## Hi-speed A/D communication board

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Built-in DMA controller

Acquire the required data and process the data in the FPGA by Hi-speed ADC devices and our IP core technology

It is possible to transfer memory to a PC without going through the CPU.



## Hi-speed optical communication board

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Hi-speed optical communication board, ideal for high-capacity data transfer and distributed systems development

- Fastest 200Gps high-speed data communication
- All protocol processing is done by hardware Reduce software burden
- High speed data transmission
- Noise-resistant, stable communication



# Providing new value: Hyperspectral cameras

## Adjust various demands on inspection Wideband support promotion of series production



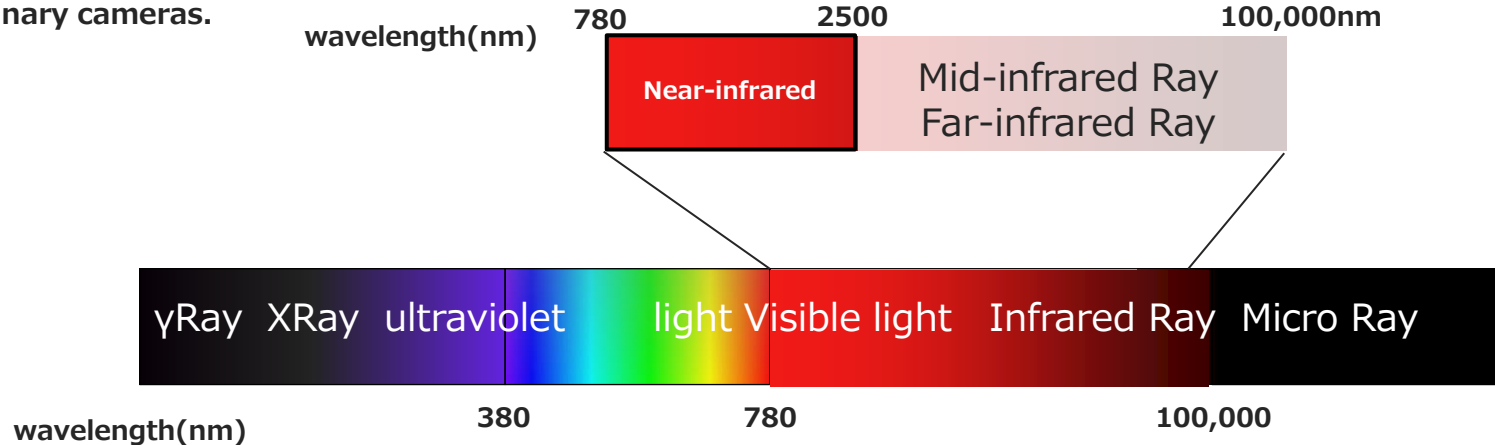
VIS-SWIR camera with on-board Sony  
 •Cover from light Visible light to Near-infrared  
 •Spectral Range: 400nm ~ 1700nm



Conventional "ABA-013VIR",  
 Continued from "ABA-003VIR"  
 Hyperspectral camera "AHS-003VIR",  
 Next-generation camera interface  
 CoaXPress  
 "ABA-013VIR-CXP" was released,  
 Promoting serialization

## Provision of a new inspection environment

High Spectral Imaging Camera can detect problems not visible to the human eye  
 The appearance changes due to differences in the components of the light subject, which cannot be captured by ordinary cameras.





## How to use High Spectral Imaging Camera

High Spectral Imaging Camera can detect problems not visible to the human eye

- ◆ Inspect the contamination
- ◆ Select fresh or old crops
- ◆ Inspect the malfunctioning of the package
- ◆ Inspect the semiconductor (Silicon wafer, microchip)
- ◆ Others

**Example: Select chocolate or gummi**

※Some gummies that contain more water than chocolate reflect black color.



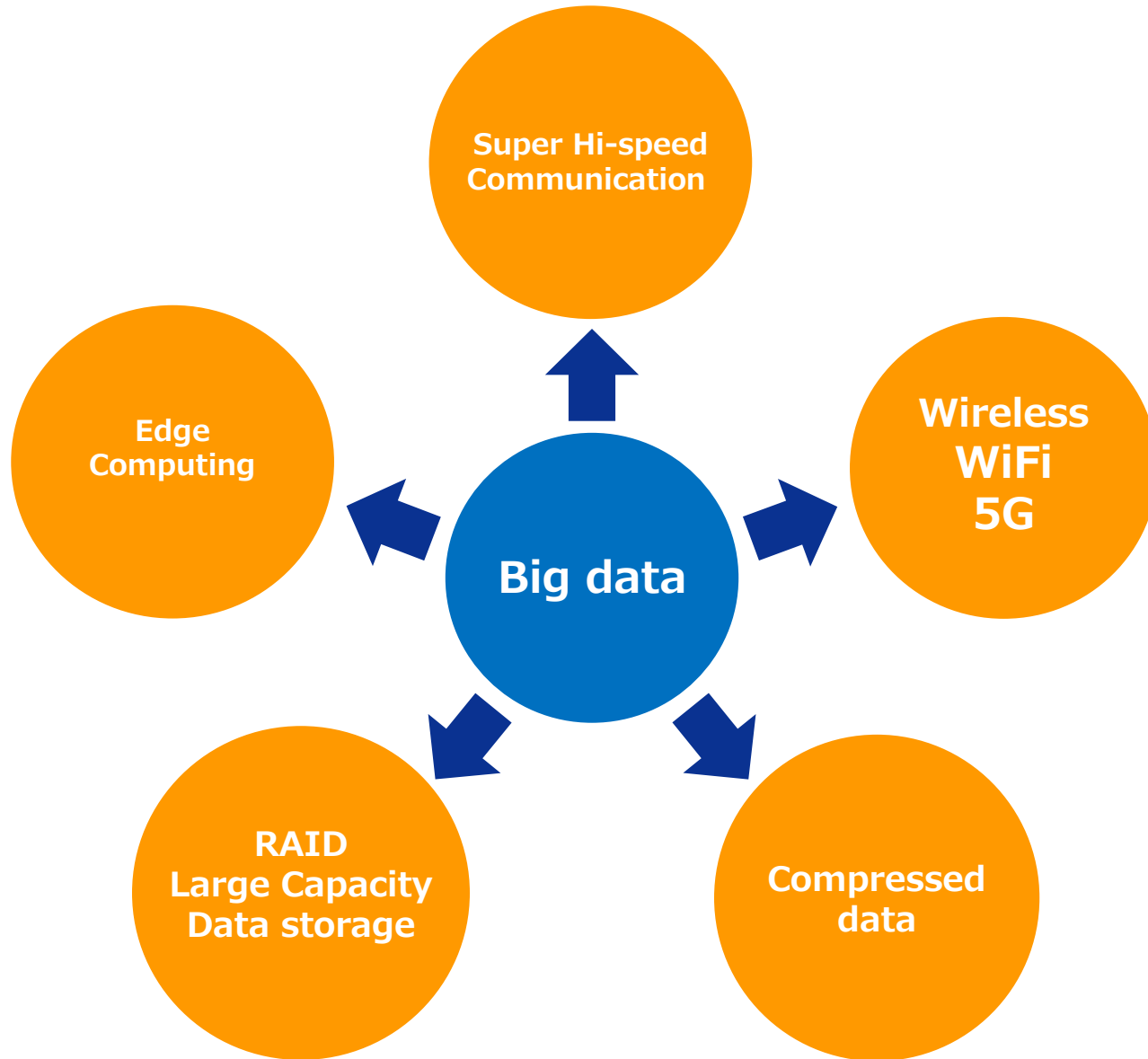
Color Camera



Black-and-White  
Camera



High Spectral  
Imaging Camera



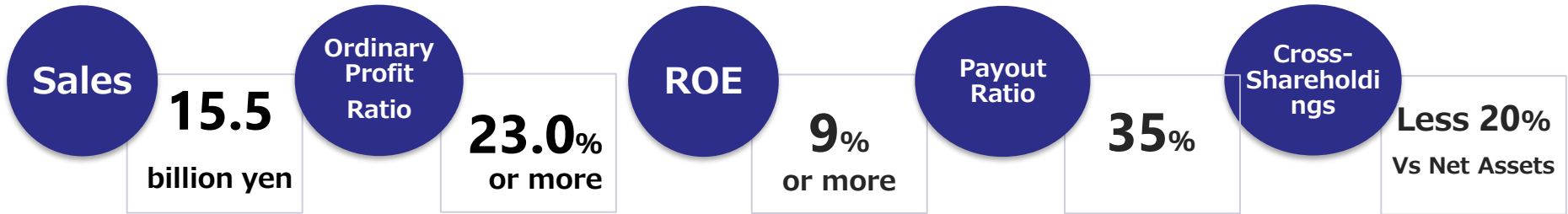
## Atsugi Plant

- ◆ **Total quality** that integrates design and manufacturing
- ◆ **Traceability** after shipment (trace investigation possible)
- ◆ **Small quantity, high variety production**



- ◆ Development product provide a value of customer
- ◆ Action to reduce CO<sup>2</sup> Adapt to RoHS/REACH
- ◆ Environment of good work and the valance of work life
- ◆ Action for social contribution And support to assist for reconstruction for disaster
- ◆ Enhancement of the corporate governance





(Until March,2025)

## Medium-Term Management Policy

- ◆ Promoting sustainability and contributing to the sustainable development of society
- ◆ Further strengthening our structure by aggressive investment through offensive management and optimization of fixed expenses
- ◆ Contributing to the evolution of customers' devices by anticipating latent needs in the market
- ◆ Building new pillars of growth by establishing business in new fields and overseas
- ◆ Realizing the industry's top production setup in terms of quality, delivery, cost, and environmental response
- ◆ Improving capital efficiency by promoting the reduction of cross-shareholdings

## Cash In

Total income in 3years  
Internal reserves

**5billion yen**

Profit on sales of  
Cross-Shareholdings

**6 billion yen**

## Cash Out

Growth Investments

**6.5billion yen**

Research and development  
fixed asset investment  
M&A

Retail to shareholder  
**4.5billion yen**

Payout ratio 35%  
Considering share buyback

### ◆ Example for Growth Investments

#### Construct Yamanashi R&D Center

Research and development base in the future

- Address: Miyakubo Hosaka Narazaki city, Yamanashi
- Total floor area : 1,570㎡
- Structure: Steel-frame building with 2 stories
- Construction: June, 2023
- Completion: May, 2024(Plan)
- Cost of construction: About 1.1 Billion yen



#### Establish 2<sup>nd</sup> Plant in Atsugi

Further strengthen production by expanding production space

- Address: Kanada 1041 Atsugi city, Kanagawa
- Total floor area : 1,272㎡
- Structure : Steel-frame building with 4 stories
- Construction: January, 2023
- Completion : August, 2023
- Cost of construction: About 5 hundred million yen



## Retail for profit

- ◆ Stable dividend
- ◆ Based of 35% of payout radio

## Dividend

Year	FY2021/3 Actual	FY2022/3 Actual	FY2023/3 Actual	FY2024/3 Actual	FY2025/3 Forecast
Dividend (Yen)	78	85	245※	317※	94
Payout radio	35.2%	34.9%	35.3%	37.1%	35.1%

※Net income for the year ending March 31, 2023 and 2024 included Profit on sales of Cross-Shareholdings

**Forward-looking statements for earnings and other performance data contained herein are based on information currently available to the Company asks that investors understand that changes in conditions may cause actual performance to significantly differ from these projections.**

**This document is not intended to invite investment.**

**Discission's concerning investment should be made of the user's own judgement.**