

FY2025 Second-Quarter Financial Results Presentation
Q&A

Overall

Q: To what extent did Q2 business profit exceed the internal plan?

A: Business profit exceeded the internal plan by more than 3 billion yen including foreign exchange effects.

Q: What were the factors behind the year-on-year decline in Q2 business profit?

A: The decline was mainly due to printing solutions and visual communications. In printing solutions, increased U.S. tariff costs and price adjustments for SOHO & home IJP hardware in regions such as Europe contributed to the decline. Additionally, in the same period last year, there was a large impact to profit from inventory increases. However, office & home printing exceeded the internal plan.

In visual communications, projector sales declined compared to the same period last year.

Q: What was the level of U.S. tariff costs in Q2 and in the first half? Is it correct to think that the 26 billion yen in U.S. tariff costs which is included in the full-year outlook represents the maximum expected amount at this point?

A: While it is difficult to calculate U.S. tariff costs precisely, we estimate that the impact was slightly over 3 billion yen in Q2 and around 5 billion yen in the first half. The full-year estimate of 26 billion yen is considered the maximum projected amount.

Q: Cash flows from operating activities in the first half was 24.2 billion yen. Can the full-year forecast of 120 billion yen be achieved?

A: The second half includes the peak sales season, when profits are expected to accumulate. Furthermore, while inventories increased in the first half, it is expected to decrease as sales progress in the second half, leading to improved cash flows from operating activities.