

Annual Report 2024

Year Ended March 31, 2024



Financial Highlights



ICOM INCORPORATED AND SUBSIDIARIES

Years ended March 31, 2024, 2023 and 2022

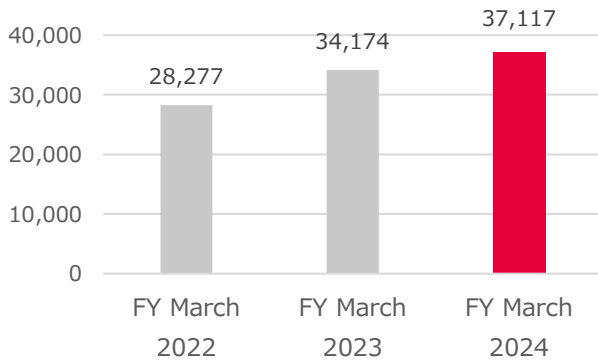
	Millions of yen			Thousands of U.S. dollars
	2024	2023	2022	2024
Net sales	¥ 37,117	¥ 34,174	¥ 28,277	\$ 245,142
Operating income	3,416	2,850	1,058	22,561
Profit before income taxes	4,416	3,262	1,485	29,166
Profit	3,462	2,575	1,094	22,865
Profit attributable to owners of parent	3,462	2,575	1,094	22,865
Total assets	¥ 73,159	¥ 67,164	¥ 63,369	\$ 483,185

Amounts per share:	Yen			U.S. dollars
Net assets	¥ 4,580.77	¥ 4,211.85	¥ 4,022.67	\$ 30.25
Profit – basic	241.19	179.39	76.22	1.59
Cash dividends	97.00	72.00	50.00	0.64

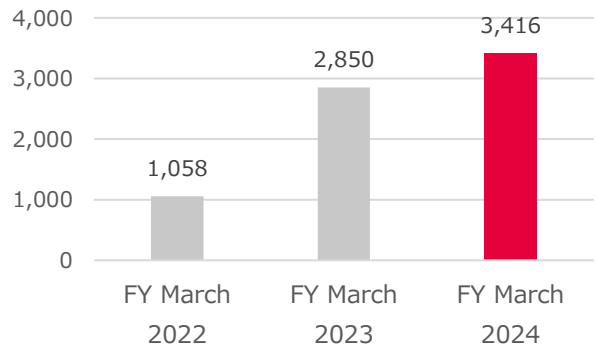
Notes:

1. All dollar amounts herein refer to U.S. dollars translated from Japanese yen at ¥151.41 = U.S.\$1.00, the exchange rate prevailing on March 31, 2024.
2. Amounts shown in millions of yen and thousands of dollars are rounded off to the nearest million or thousand.

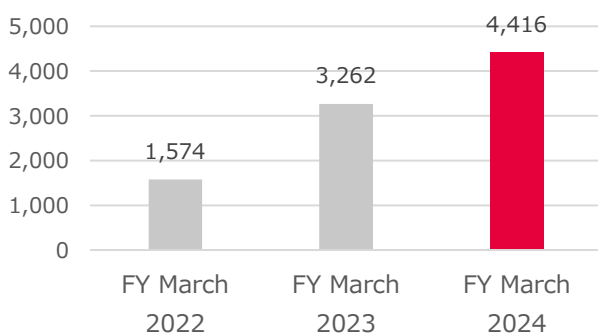
Consolidated Sales (Million Yen)



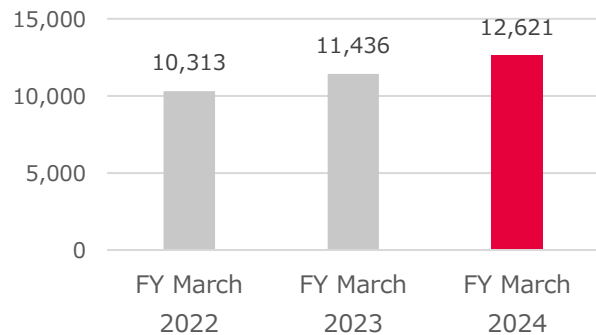
Operating Income (Million Yen)



Ordinary Profit (Million Yen)



SG&A Expenses (Million Yen)



Operating Highlights



GEOGRAPHICAL SEGMENT INFORMATION

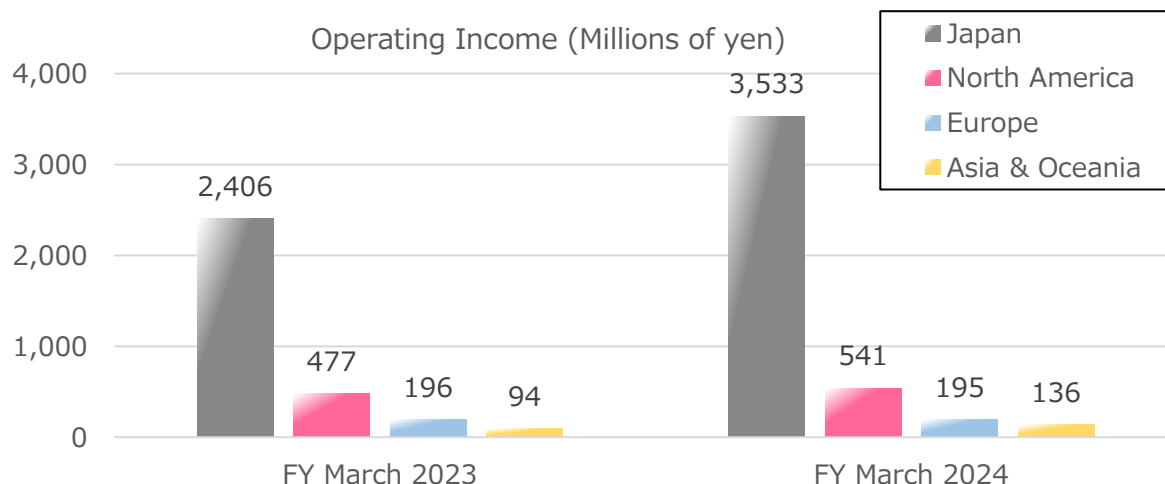
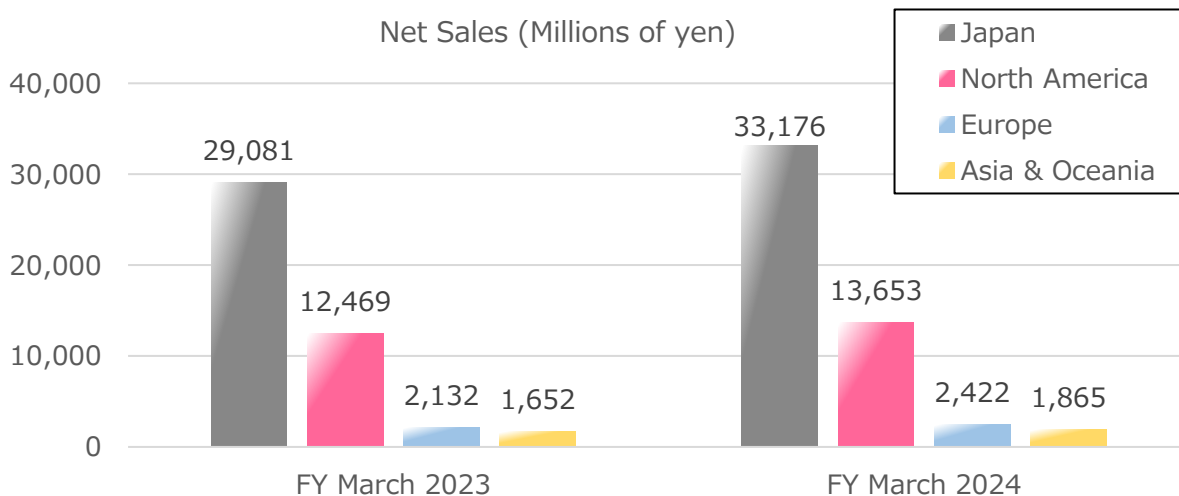
Years ended March 31, 2024 and 2023

	Millions of yen				Thousands of U.S. dollars	
	Net Sales		Operating Income		Net Sales	Operating Income
	2024	2023	2024	2023	2024	2024
Japan	¥ 33,176	¥ 29,081	¥ 3,533	¥ 2,406	\$ 219,114	\$ 23,334
North America	13,653	12,469	541	477	90,172	3,573
Europe	2,422	2,132	195	196	15,996	1,287
Asia & Oceania	1,865	1,652	136	94	12,318	899
Eliminations	(13,999)	(11,160)	(989)	(323)	(92,458)	(6,532)
Consolidated total	¥ 37,117	¥ 34,174	¥ 3,416	¥ 2,850	\$ 245,142	\$ 22,561

Notes:

1. All dollar amounts herein refer to U.S. dollars translated from Japanese yen at ¥151.41 = U.S.\$1.00, the exchange rate prevailing on March 31, 2024.

2. Amounts shown in millions of yen and thousands of dollars are rounded off to the nearest million or thousand.



Operating Highlights



OVERSEAS SALES

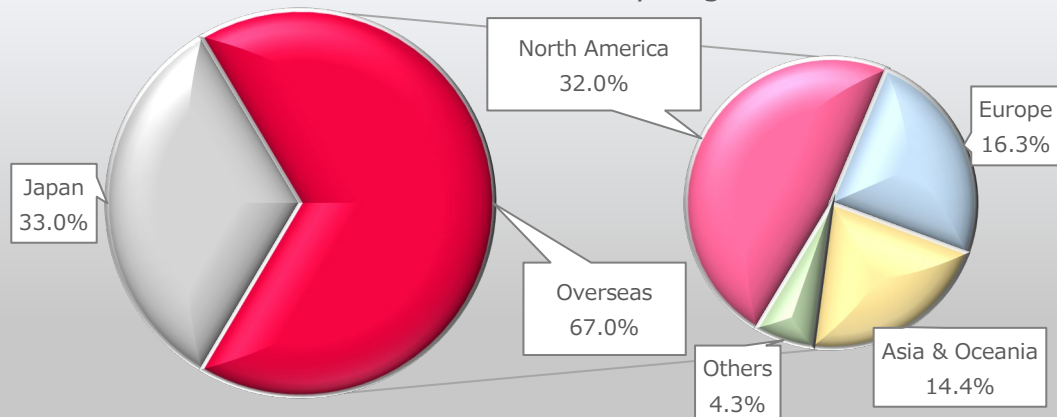
Years ended March 31, 2024 and 2023

	Millions of yen				Thousands of U.S. dollars	
	2024 (Unaudited)		2023		2024 (Unaudited)	
North America	¥ 12,032	32.4%	¥ 10,944	32.0%	\$ 79,466	
Europe	6,245	16.8	5,581	16.3	41,246	
Asia & Oceania	5,955	16.1	4,899	14.4	39,330	
Others	1,547	4.2	1,481	4.3	10,217	
Overseas total	25,779	69.5	22,905	67.0	170,259	
Japan	11,338	30.5	11,269	33.0	74,883	
Consolidated total	¥ 37,117	100.0%	¥ 34,174	100.0%	\$ 245,142	

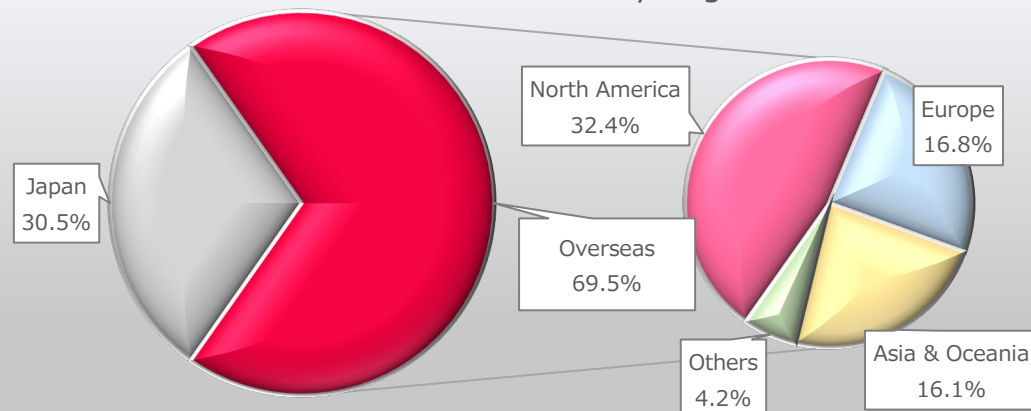
Notes:

1. All dollar amounts herein refer to U.S. dollars translated from Japanese yen at ¥151.41 = U.S.\$1.00, the exchange rate prevailing on March 31, 2024.
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FY March 2023 Sales by Region



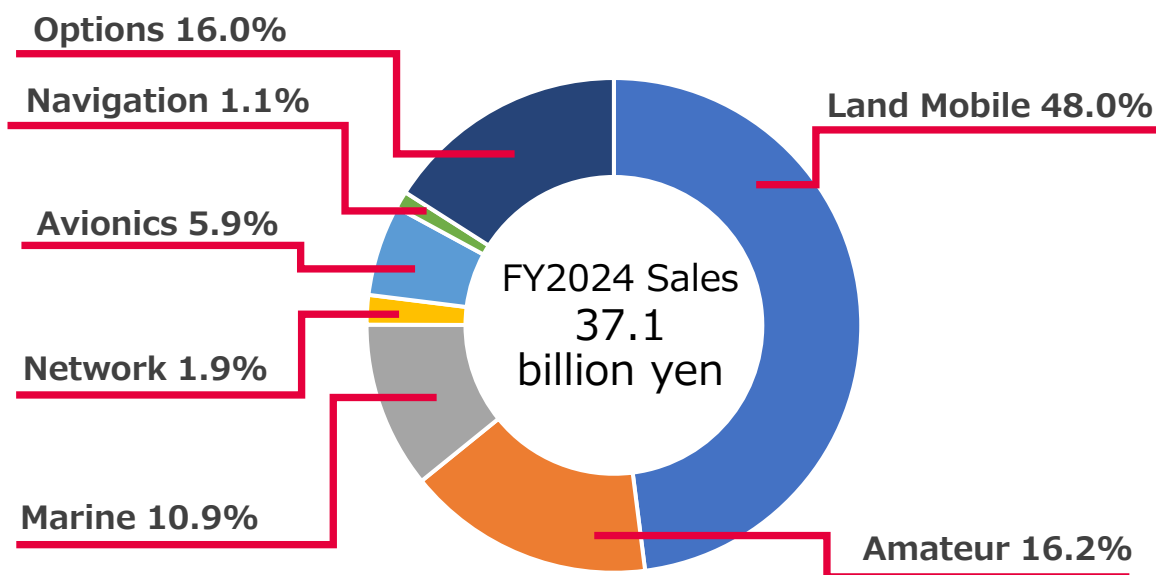
FY March 2024 Sales by Region



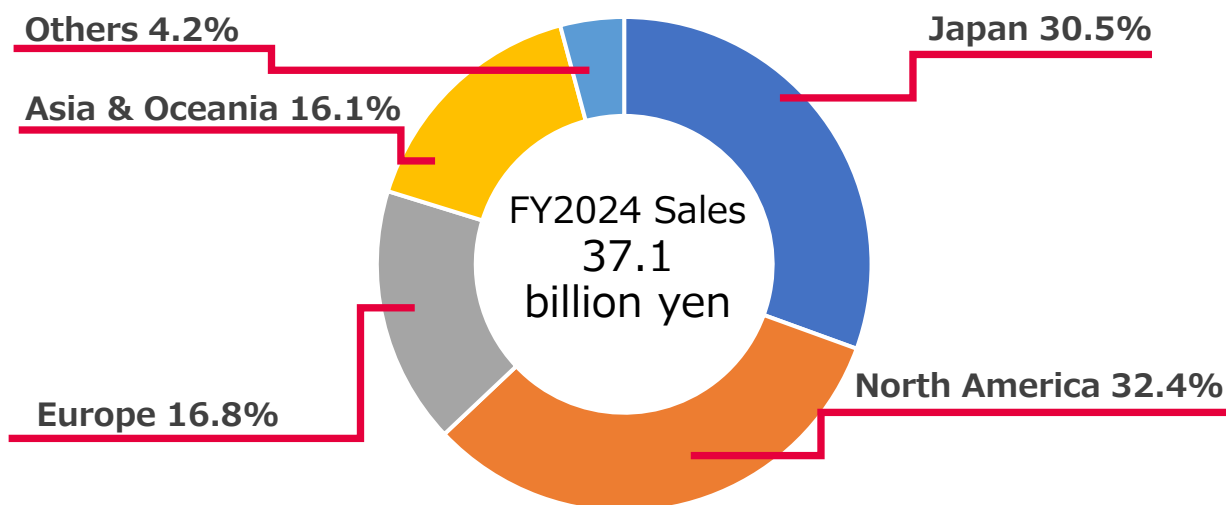
Business Outline

Consolidated Sales Composition (FY March 2024)

Sales Composition by Product Category



Sales by Region



Consolidated Balance Sheet

March 31, 2024

	Millions of yen		Thousands of US dollars (Note 1)
	2024	2023	2024
Assets			
Current Assets:			
Cash and deposits (Notes 6,7 and 23)	¥ 27,838	¥ 29,397	\$ 183,858
Marketable securities (Notes 7 and 8)	600	-	3,963
Trade notes (Notes 5 and 7)	212	253	1,400
Accounts receivable - trade (Note 7)	5,020	4,871	33,155
Allowance for doubtful accounts	(32)	(24)	(211)
	5,200	5,100	34,344
Inventories (Note 9)	14,394	12,837	95,066
Other current assets	2,046	1,833	13,513
Total current assets	50,078	49,167	330,744
Property, plant and equipment:			
Land	4,564	4,354	30,143
Buildings and structures	7,638	7,049	50,446
Machinery and equipment	14,977	14,676	98,917
Vehicles and other	320	270	2,113
Construction in progress	44	58	291
Property, plant and equipment, at cost	27,543	26,407	181,910
Less accumulated depreciation	(18,824)	(18,668)	(124,325)
Property, plant and equipment, net (Note 18)	8,719	7,739	57,585
Investments and other assets:			
Investments in securities (Notes 7 and 8)			
Investments in affiliates	127	87	839
Other	8,066	6,215	53,273
Other investments	1,335	541	8,817
Retirement benefit asset (Note 10)	1,260	410	8,322
Deferred tax assets (Notes 3 and 11)	373	791	2,464
Guarantee deposits	3,063	2,059	20,230
Intangible assets (Note 18)	145	184	957
Allowance for doubtful accounts	(7)	(29)	(46)
Total investments and other assets	14,362	10,258	94,856
Total Assets (Note 18)	¥ 73,159	¥ 67,164	\$ 483,185

See accompanying Notes to consolidated financial statements

Consolidated Balance Sheet

March 31, 2024

	Millions of yen		Thousands of US dollars (Note 1)
	2024	2023	2024
Liabilities and net assets			
Current liabilities:			
Accounts payable – trade	¥ 1,383	¥ 1,811	\$ 9,134
Accounts payable - other	982	986	6,486
Accrued income taxes (Note 11)	1,116	723	7,371
Accrued expenses	971	810	6,413
Provision for accrued bonuses	1,085	660	7,166
Warranty reserves	139	40	918
Other current liabilities (Note 13)	313	310	2,067
Total current liabilities	5,989	5,340	39,555
Long-term liabilities:			
Deferred tax liabilities (Notes 3 and 11)	202	240	1,334
Retirement benefit liability (Note 10)	581	550	3,837
Other long-term liabilities (Note 13)	642	583	4,240
Total long-term liabilities	1,425	1,373	9,411
Net assets:			
Shareholders' equity: (Note 14)			
Common stock			
Authorized -34,000,000 shares;			
Issued - 14,850,000 shares in 2024 and 2023	7,081	7,081	46,767
Capital surplus	10,449	10,449	69,011
Retained earnings (Note 19)	44,703	42,275	295,245
Less treasury stock, at cost;			
497,623 shares in 2024 and 497,412 shares in 2023	(1,446)	(1,446)	(9,550)
Total shareholders' equity	60,787	58,359	401,473
Accumulated other comprehensive income: (Note 16)			
Net unrealized holding gain on securities (Note 8)	1,821	507	12,027
Translation adjustments	2,474	1,381	16,340
Retirement benefit liability adjustments (Note 10)	663	204	4,379
Total accumulated other comprehensive income	4,958	2,092	32,746
Total net assets	65,745	60,451	434,219
Total liabilities and net assets	¥ 73,159	¥ 67,164	\$ 483,185

See accompanying Notes to consolidated financial statements

Consolidated Statement of Income

Year ended March 31, 2024

Thousands of
US dollars
(Note 1)

	Millions of yen		
	2024	2023	2024
Net sales (Notes 13 and 18)	¥ 37,117	¥ 34,174	\$ 245,142
Cost of sales (Note 9)	21,080	19,888	139,225
Gross profit	16,037	14,286	105,917
Selling, general and administrative expenses			
Advertising expenses	872	721	5,759
Packing and transportation costs	344	336	2,272
Provision of allowance for doubtful accounts	9	9	59
Salaries and allowances	3,127	2,894	20,653
Welfare expenses	896	804	5,918
Provision for bonuses	339	205	2,239
Retirement benefit expenses (Note 10)	92	93	608
Depreciation and amortization	257	193	1,697
Commission fees	1,039	974	6,862
Research and development costs (Note 15)	3,963	3,862	26,174
Provision for products warranties	93	3	614
Other	1,590	1,342	10,501
Total selling, general and administrative expenses	12,621	11,436	83,356
Operating income (Note 18)	3,416	2,850	22,561

See accompanying Notes to consolidated financial statements

Consolidated Statement of Comprehensive Income

Year ended March 31, 2024

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2024	2023	2024
Other income (expenses):			
Interest and dividend income	280	216	1,849
Interest expenses	(2)	-	(13)
Gain on sales of investments in securities, net (Note 8)	16	6	106
Foreign exchange gain, net	659	179	4,353
Other, net	47	11	310
	1,000	412	6,605
Profit before income taxes	4,416	3,262	29,166
Income taxes: (Notes 3 and 11)			
Current	1,365	800	9,015
Deferred	(411)	(113)	(2,714)
	954	687	6,301
Profit	¥ 3,462	¥ 2,575	\$ 22,865
Profit attributable to owners of parent: (Note 17)	¥ 3,462	¥ 2,575	\$ 22,865

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2024	2023	2024
Profit	¥ 3,462	¥ 2,575	\$ 22,865
Other comprehensive income (Note 16)			
Net unrealized holding gain on securities	1,314	134	8,678
Translation adjustments	1,093	344	7,219
Retirement benefit liability adjustments	459	380	3,032
Total other comprehensive income	2,866	858	18,929
Comprehensive income	¥ 6,328	¥ 3,433	\$ 41,794
Total comprehensive income attributable to owners of parent:	¥ 6,328	¥ 3,433	\$ 41,794

See accompanying Notes to consolidated financial statements

Consolidated Statement of Changes in Net Assets

Year ended March 31, 2024

Millions of yen

	Number of shares on issue	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Net unrealized holding gain on securities	Translation adjustments	Retirement benefit liability adjustments	Total net assets
Balance at April 1, 2022	14,850,000	¥ 7,081	¥ 10,449	¥ 40,418	¥ (1,445)	¥ 373	¥ 1,037	¥ (176)	¥ 57,737
Profit attributable to owners of parent for the year	-	-	-	2,575	-	-	-	-	2,575
Cash dividends	-	-	-	(718)	-	-	-	-	(718)
Purchases of treasury stock	-	-	-	-	(1)	-	-	-	(1)
Other changes	-	-	-	-	-	134	344	380	858
Balance at April 1, 2023	14,850,000	¥7,081	¥10,449	¥42,275	¥(1,446)	¥507	¥1,381	¥204	¥60,451
Profit attributable to owners of parent for the year	-	-	-	3,462	-	-	-	-	3,462
Cash dividends	-	-	-	(1,034)	-	-	-	-	(1,034)
Purchases of treasury stock	-	-	-	-	(0)	-	-	-	(0)
Other changes	-	-	-	-	-	1,314	1,093	459	2,866
Balance at March 31, 2024	14,850,000	¥ 7,081	¥ 10,449	¥ 44,703	¥ (1,446)	¥ 1,821	¥ 2,474	¥ 663	¥ 65,745

Thousands of US dollars (Note 1)

	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Net unrealized holding gain on securities	Translation adjustments	Retirement benefit liability adjustments	Total net assets
Balance at April 1, 2023	\$ 46,767	\$ 69,011	\$ 279,209	\$ (9,550)	\$ 3,349	\$ 9,121	\$ 1,347	\$ 399,254
Profit attributable to owners of parent for the year	-	-	22,865	-	-	-	-	22,865
Cash dividends	-	-	(6,829)	-	-	-	-	(6,829)
Purchases of treasury stock	-	-	-	(0)	-	-	-	(0)
Other changes	-	-	-	-	8,678	7,219	3,032	18,929
Balance at March 31, 2024	\$ 46,767	\$ 69,011	\$ 295,245	\$ (9,550)	\$ 12,027	\$ 16,340	\$ 4,379	\$ 434,219

See accompanying Notes to consolidated financial statements

Consolidated Statement of Cash Flows

Year ended March 31, 2024

	Millions of yen		Thousands of US dollars (Note 1)
	2024	2023	2024
Operating activities:			
Profit before income taxes	¥ 4,416	¥ 3,262	\$ 29,166
Adjustments for:			
Depreciation and amortization	1,164	856	7,688
Interest and dividend income	(280)	(216)	(1,849)
Foreign exchange gain, net	(31)	(198)	(205)
Decrease (increase) in notes and accounts receivable	165	(261)	1,089
Increase in inventories	(1,044)	(189)	(6,895)
(Decrease) increase in accounts payable – trade	(433)	157	(2,860)
Other, net	(733)	284	(4,841)
Subtotal	3,224	3,695	21,293
Income taxes paid	(1,016)	(276)	(6,710)
Net cash provided by operating activities	2,208	3,419	14,583
Investing activities:			
(Increase) decrease in time deposits with original maturities in excess of three months	(823)	3,146	(5,436)
Purchases of property, plant and equipment	(1,866)	(694)	(12,324)
Purchases of intangible assets	(127)	(32)	(839)
Purchases of investments in securities	(680)	(906)	(4,491)
Proceeds from sales and redemption of investments in securities	136	212	898
Interest and dividend income received	273	215	1,803
Other, net	(588)	543	(3,883)
Net cash (used in) provided by investing activities	(3,675)	2,484	(24,272)
Financing activities:			
Purchase of treasury stock	(0)	(0)	(0)
Cash dividends paid	(1,034)	(718)	(6,829)
Other, net	(91)	-	(601)
Net cash used in financing activities	(1,125)	(718)	(7,430)
Effect of exchange rate changes on cash and cash equivalents	607	305	4,009
Net (decrease) increase in cash and cash equivalents	(1,985)	5,490	(13,110)
Cash and cash equivalents at beginning of year	27,979	22,489	184,790
Cash and cash equivalents at end of year (Note 6)	¥ 25,994	¥ 27,979	\$ 171,680

See accompanying Notes to consolidated financial statements

Notes to Consolidated Financial Statements

March 31, 2024

1. Basis of Preparation

The accompanying consolidated financial statements of ICOM INCORPORATED (the "Company") and its consolidated subsidiaries (the "Group") are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards ("IFRS"), and have been compiled from the consolidated financial statements prepared by the Company as required by the Financial Instruments and Exchange Act of Japan.

In preparing the accompanying consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan. In addition, the notes to the consolidated financial statements include certain information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information. The translation of yen amounts into U.S. dollar amounts is included solely for the convenience of readers outside Japan, as a matter of arithmetic computation only, and has been made at ¥151.41 = U.S.\$1.00, the approximate rate of exchange in effect on March 31, 2024. This translation should not be construed as a representation that yen have been, could have been, or could in the future be, converted into U.S. dollars at the above or any other rate.

2. Summary of Significant Accounting Policies

(a) Principles of consolidation

The accompanying consolidated financial statements include the accounts of the Company and the companies which it controls directly or indirectly. Two companies over which the Company exercises significant influence in terms of their operating and financial policies have been included in the accompanying consolidated financial statements on an equity basis.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized intercompany gains and losses among the Company and the subsidiaries have been entirely eliminated.

The financial statements of one consolidated subsidiary whose fiscal year end is December 31 and one consolidated subsidiary whose fiscal year end is September 30 have been included in consolidation on the basis of a full fiscal year closing on March 31 for consolidation purposes.

(b) Cash and cash equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents consist of cash on hand, deposits with banks withdrawable on demand, and short-term investments which are readily convertible to cash subject to an insignificant risk of any changes in their value and which were purchased with an original maturity of three months or less.

(c) Foreign currency translation

The balance sheet accounts of the overseas subsidiaries are translated into yen at the rates of exchange in effect at the balance sheet date except that the components of net assets are translated at their historical exchange rates. Adjustments resulting from translating accounts denominated in foreign currencies are not included in the determination of profit in the accompanying consolidated financial statements, but are reported as "Translation adjustments," a component of net assets.

Revenue and expense accounts of the overseas subsidiaries are translated at the average rates of exchange in effect during the year.

All monetary assets and liabilities denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, except that receivables hedged by qualified forward foreign exchange contracts are translated at the corresponding contract rates. Gain or loss on each translation is credited or charged to income.

(d) Marketable securities and investments in securities

In general, securities are classified into three categories: trading securities, held-to-maturity debt securities or other securities.

Trading securities, consisting of debt and marketable equity securities, are stated at fair value. Gain or loss, both realized and unrealized, are credited or charged to income. Held-to-maturity debt securities are stated at their amortized cost. Marketable securities classified as other securities are carried at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, included directly in net assets. Cost of securities sold is determined by the moving average method. Unquoted securities classified as other securities are carried at cost determined by the moving average method.

Securities held by the Company and its subsidiaries including investments in securities, which are not accounted for on an equity basis, are all classified as "other securities" and have been accounted for as outlined above.

ICOM INCORPORATED AND SUBSIDIARIES

Notes to Consolidated Financial Statements

March 31, 2024

2. Summary of Significant Accounting Policies (continued)

(e) Inventories

Inventories are mainly stated at the lower of cost or net selling value, cost being determined by the moving average method, except for inventories held by certain overseas subsidiaries which are valued at the lower of cost or net selling value, cost being determined by the moving average method.

(f) Property, plant and equipment (except for leased assets)

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment in the Company and its domestic subsidiaries is computed principally by the declining-balance method over the estimated useful lives of the respective assets as prescribed in the Corporation Tax Law of Japan, except that the straight-line method is applied to buildings (other than structures attached to the buildings) acquired on or after April 1, 1998 and structures attached to buildings and other structures acquired on or after April 1, 2016. The overseas consolidated subsidiaries calculate depreciation by the straight-line method.

(g) Intangible assets (except for leased assets)

Amortization of intangible assets is calculated by the straight-line method over the estimated useful lives of the respective assets as prescribed in the Corporation Tax Law of Japan. Expenditures related to the development of computer software intended for internal use are charged to income when incurred, except if it is anticipated that this software will contribute to the generation of income or to future cost savings. Such expenditures are capitalized as assets and amortized by the straight-line method over an estimated useful life of 3 or 5 years.

(h) Leased assets

Leased assets are depreciated by the straight-line method over respective lease periods with no residual value.

(i) Allowance for doubtful accounts

The allowance for doubtful accounts is computed based on the historical ratio of bad debts and an estimate of certain uncollectible amounts determined after an analysis of specific individual receivables.

(j) Accrued bonuses

Accrued bonuses are calculated based on the estimated amount to be paid to employees and directors after the balance sheet date, which are attributable to the current fiscal year.

(k) Warranty reserves

Warranty reserves are provided for anticipated future repair costs based on the historical ratio calculated using product repair costs against net sales, which are attributable to the current fiscal year. In addition, the Company records the estimated amount of costs to be incurred that can be individually estimated.

The warranties generally guarantee to customers the performance of the products sold according to product specifications which the Group and its customers have mutually agreed and thus, is recognized as provisions for product warranties.

(l) Retirement benefit liability

Retirement benefit liability is provided mainly at an amount calculated based on the retirement benefit obligation less the fair value of the pension plan assets. The retirement benefit obligation is attributed to each period by the straight-line method over the estimated remaining years of service of the eligible employees.

Actuarial gain or loss is being amortized in the year following the year in which the gain or loss is recognized by the straight-line method over ten years, which is within the average remaining years of service of eligible employees.

ICOM INCORPORATED AND SUBSIDIARIES

Notes to Consolidated Financial Statements

March 31, 2024

2. Summary of Significant Accounting Policies (continued)

(m) Significant revenues and expenses

i) Revenues from sales of goods and products

Revenues from sales of goods and products, which mainly include sales of land mobile radios, amateur radios, marine radios, other radios, and information and telecommunication equipment such as networking facilities. Revenue is recognized at the time of delivery since it is considered that the control of the goods and products is transferred to the customer and the performance obligation is satisfied at the time of delivery.

For sales of goods and products within Japan, revenue is recognized at the time of shipment if the period from the time of shipment to the time when control of the goods and products is transferred to the customer is a normal period of time.

ii) Revenues from sales of services and other sales

Revenues from sales of services and other sales, which mainly include revenues from telecommunication services and revenues from product-related services such as warranty, repairs and maintenance. If the performance obligation is satisfied at a point in time, revenue is recognized when the service is completed. If the performance obligation is satisfied over time, revenue is recognized uniformly over the period during which the services are provided.

(n) Hedge accounting

The Company utilizes derivative transactions in order to manage the risks arising from adverse fluctuation in foreign currency exchange rates. In accordance with internal management rules, the Company enters into forward foreign exchange contracts which fall within the Company's foreign currency or foreign currency receivables holding limits. Derivative transactions are not entered into for speculative purposes.

Under the accounting standard for financial instruments, gain or loss on derivatives designated as hedging instruments is deferred until the loss or gain on the underlying hedged items is recognized. Forward foreign exchange contracts which meet certain conditions are accounted for by a method under which the foreign currency deposits and receivables are translated at their corresponding forward foreign exchange contract rates ("Allocation method.")

The evaluation of effectiveness of such forward foreign exchange contracts is omitted because significant terms of the hedging instruments and underlying hedged items are the same and the Company assumes that movements in cash flows are completely offset.

Hedging instruments and hedged items are as follows:

Hedging instruments	Foreign exchange contracts
Hedged items	Foreign currency deposits and foreign currency trade receivables

(o) Distribution of retained earnings

Under the Companies Act of Japan and the Company's Articles of Incorporation, the distribution of retained earnings with respect to a given fiscal year end is made by resolution of the shareholders at a general meeting held subsequent to the close of the financial period. The distribution of retained earnings with respect to interim financial periods is made by resolution of the board of directors. (Please refer to Note 19.)

(p) Accounting standards issued but not yet effective

The Accounting Standards Board of Japan issued the following revised accounting standards and revised implementation guidance:

- "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022)
- "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, October 28, 2022)
- "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022),

(1) Overview

The revised standards and revised implementation guidance provide for the classification of income taxes when taxes are imposed on other comprehensive income and for the treatment of tax effects related to the sale of shares of subsidiaries when the corporate group tax system is applied.

(2) Scheduled date of adoption

The Company expects to adopt the accounting standards and related implementation guidance from the beginning of the fiscal year ending March 31, 2025.

(3) Impact of adoption of revised accounting standard and related implementation guidance

The Company is currently evaluating the effect of the adoption of the accounting standards and related implementation guidance on its consolidated financial statements.

Notes to Consolidated Financial Statements

March 31, 2024

3. Significant Accounting Estimates

(1) Recoverability of Deferred Tax Assets

i) Recoverability of deferred tax assets as of March 31, 2024 and 2023:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Deferred tax assets (net amount)	¥ 373	¥ 791	\$ 2,464

ii) Information on significant accounting estimates for identified items

(a) Calculation method

The Group evaluates the recoverability of deferred tax assets for deductible temporary differences based on the tax planning opportunities available to it and estimated future taxable income that depends on future profitability. In estimating future taxable income, the Company and its subsidiaries evaluate probable future taxable income by reasonably estimating the timing and amount of expected future taxable income based on supporting materials such as the business plan.

(b) Significant assumptions

The significant assumptions underlying the business plan to evaluate the estimate of future taxable income are sales growth rate and gross profit ratio.

The sales growth rate and the gross profit ratio are determined mainly by using a forecast of customer demand and the latest actual sales results.

(c) Impact on consolidated financial statements for the following fiscal year

In the event the actual sales growth rate and gross profit ratio as significant assumptions fall below expectations due to market trends such as innovation or a decrease in production resulting from an adverse procurement situation of key components, which are mainly semiconductors, some deferred tax assets may be reversed in the following fiscal year.

4. Changes in Presentation

Consolidated Statement of Income

"Provision for products warranties" included in "Other" under "Selling, general and administrative expenses" in the previous fiscal year is separately stated from the current fiscal year because of its increased significance. The consolidated financial statements for the previous fiscal year have been reclassified to reflect this change in presentation.

As a result, ¥1,345 million stated in "Other" under "Selling, general and administrative expenses" in the Consolidated Statement of Income for the previous fiscal year was reclassified as ¥3 million in "Provision for products warranties" and ¥1,342 million in "Other."

5. Trade Notes

The balance sheet date for the year ended March 31, 2024 fell on a bank holiday. Consequently, the following trade notes with the due date of March 31 were included in the respective balances and settled on the next business day.

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Trade notes	¥ 11	¥ -	\$ 79

Notes to Consolidated Financial Statements

March 31, 2024

6. Cash and Cash Equivalents

In the preparation of the consolidated statements of cash flows, the relationship between the items included in cash and cash equivalents and the corresponding amounts reflected in the consolidated balance sheets at March 31, 2024 and 2023 is summarized as follows:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	2024	2023	2024
Cash and deposits	¥ 27,838	¥ 29,397	\$ 183,858
Marketable securities	600	-	3,963
Subtotal	¥ 28,438	¥ 29,397	\$ 187,821
Time deposits with original maturities in excess of three months	(1,844)	(1,418)	(12,178)
Marketable securities with original maturities in excess of three months	(600)	-	(3,963)
Cash and cash equivalents	¥ 25,994	¥ 27,979	\$ 171,680

7. Financial Instruments**(1) General information****i) Policy for financial instruments**

In consideration of plans for capital investment, which is mainly centered on radio manufacturing and sales, the Group obtains necessary financing through its own funds. The Group manages surplus funds through financial assets that have high levels of liquidity. The Group uses derivatives for the purpose of reducing risk and does not enter into derivatives for speculative purposes.

ii) Types of financial instruments and related risk

Notes and accounts receivable are exposed to credit risk in relation to customers. In addition, accounts receivable denominated in foreign currencies are exposed to exchange rate fluctuation risk. Marketable securities and investments in securities are exposed to market risk. Those securities are composed of mainly debt securities classified as other securities and equity securities of other companies with which it has business relationships.

Fair values of those securities are periodically reported to the meetings of the board of directors. Most of trade accounts payable have payment due dates within two months. Those denominated in foreign currencies are exposed to exchange rate fluctuation risk.

Regarding derivatives, the Group enters into forward foreign exchange contracts to reduce the foreign currency exchange rate fluctuation risk arising from cash and deposits and receivables denominated in foreign currencies, and utilizes compound financial instruments for the purpose of efficient management of surplus funds. Further information regarding the method of hedge accounting, hedging instruments and hedged items, hedging policy, and the assessment of the effectiveness of hedging activities can be found in "(n) Hedge accounting" in Note 2 "Summary of Significant Accounting Policies".

Notes to Consolidated Financial Statements

March 31, 2024

7. Financial Instruments (continued)

(1) General information (continued)

iii) Risk management for financial instruments

(a) Monitoring of credit risk (the risk that customers or counterparties may default)

In accordance with the internal policies for managing credit risk of the Group arising from trade receivables, the sales department monitors credit worthiness of main customers periodically, in principle, and monitors due dates and outstanding balances by customer. In addition, the Group is making efforts to early identify and mitigate risks of bad debt from customers who have financial difficulties.

In accordance with the internal policies for security management, the Group only acquires debt securities classified as other securities with high credit ratings. Accordingly, the Group believes that the credit risk deriving from such debt securities is insignificant.

The Group also believes that the credit risk of derivatives is insignificant as the Group enters into derivative transactions only with financial institutions with high credit ratings.

(b) Monitoring of market risks (the risks arising from fluctuations in foreign exchange rates, interest rates and others)

For cash and deposits denominated in foreign currencies, in principle, for a portion of receivables denominated in foreign currencies, the Group identifies the foreign currency exchange risk by each currency and enters into forward foreign exchange contracts to hedge such risk.

For marketable securities and investments in securities, the Group periodically reviews the fair values of such financial instruments and the financial position of the issuers. In addition, the Group continuously evaluates whether securities should be maintained taking into account their fair values and the relationships with the issuers.

For derivative transactions, the accounting department of the Company enters into and manages transactions, and a respective director, in advance, approves them within the limits reported at the meeting of the board of directors. Results of derivative transactions are reported at the monthly meetings of the board of directors. The consolidated subsidiaries do not enter into derivative transactions.

(c) Monitoring of liquidity risk (the risk that the Group may not be able to meet its obligations on the scheduled due dates)

Based on reports from each division, the accounting department of the Company prepares and updates its cash flow plans on a timely basis and maintains liquidity of assets for payment to manage liquidity risk. The consolidated subsidiaries monitor liquidity risk in the same manner.

iv) Supplementary explanation of the estimated fair value of financial instruments

Since various assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in different fair values.

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March 31, 2024

7. Financial Instruments (continued)

(2) Estimated fair value of financial instruments

The carrying value of financial instruments on the consolidated balance sheets at March 31, 2024 and 2023, the estimated fair value and the difference between them are shown in the following table. For cash and deposits, trade notes, accounts receivable trade and accounts payable trade, they are not on the table below as most of them are settled within a short term and their fair value approximates carrying value.

	Millions of yen		
	2024		
	Carrying value	Fair value	Difference
Assets			
Marketable securities and investments in securities	¥ 8,590	¥ 8,590	¥ -
Total assets	¥ 8,590	¥ 8,590	¥ -
Derivative transactions (*)	-	-	-
Millions of yen			
2023			
	Carrying value	Fair value	Difference
Assets			
Marketable securities and investments in securities	¥ 6,206	¥ 6,206	¥ -
Total assets	¥ 6,206	¥ 6,206	¥ -
Derivative transactions (*)	-	-	-
Thousands of U.S. dollars			
2024			
	Carrying value	Fair value	Difference
Assets			
Marketable securities and investments in securities	\$ 56,733	\$ 56,733	\$ -
Total assets	\$ 56,733	\$ 56,733	\$ -
Derivative transactions (*)	-	-	-

(*) The value of assets and liabilities arising from derivative transactions is shown at net value.

Unquoted securities as of March 31, 2024 and 2023 are as follows. They are not included in the table above.

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Unlisted equity securities	¥ 203	¥ 96	\$ 1,341

Notes to Consolidated Financial Statements

March 31, 2024

7. Financial Instruments (continued)

(2) Estimated fair value of financial instruments (continued)

i) Redemption schedule

The redemption schedule for monetary assets, marketable securities and investments in securities with maturity dates is summarized as follows:

Millions of yen								
	2024				2023			
	Due within one year	Due after one year through five years	Due after five years through ten years	Due after ten years	Due within one year	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and deposits	¥ 27,838	¥ -	¥ -	¥ -	¥ 29,397	¥ -	¥ -	¥ -
Trade notes	212	-	-	-	253	-	-	-
Accounts receivable trade	5,020	-	-	-	4,871	-	-	-
Marketable securities and investments in securities:								
Other securities with maturity dates								
Corporate bonds	600	1,100	2,100	-	-	1,100	2,300	100
Other	-	-	-	-	-	-	-	-
Total	¥ 33,670	¥ 1,100	¥ 2,100	¥ -	¥ 34,521	¥ 1,100	¥ 2,300	¥ 100

Thousands of U.S. dollars				
	2024			
	Due within one year	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and deposits	\$ 183,858	\$ -	\$ -	\$ -
Trade notes	1,400	-	-	-
Accounts receivable trade	33,155	-	-	-
Marketable securities and investments in securities:				
Other securities with maturity dates				
Corporate bonds	3,963	7,265	13,870	-
Other	-	-	-	-
Total	\$222,376	\$ 7,265	\$13,870	\$ -

Notes to Consolidated Financial Statements

March 31, 2024

7. Financial Instruments (continued)

(3) Breakdown of fair value of financial instruments by level

Fair values of financial instruments are categorized into three levels as described below on the basis of the observability and the materiality of the inputs used in the fair value measurement.

Level 1: Fair values measured using quoted prices of identical assets or liabilities in active markets among observable valuation inputs

Level 2: Fair values measured using inputs other than inputs included within Level 1 among observable valuation inputs

Level 3: Fair values measured using unobservable valuation inputs

When several inputs that have significant impact on fair value measurement are used and those inputs are categorized into different levels, the fair value is categorized into the lowest hierarchy level for fair value measurement among those in which each of the inputs belongs.

Financial instruments measured at fair value

Millions of yen

	2024				2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Marketable securities and investments in securities:								
Other securities								
Equity securities	¥ 4,851	¥ -	¥ -	¥ 4,851	¥ 2,755	¥ -	¥ -	¥ 2,755
Corporate bonds	-	3,739	-	3,739	-	3,451	-	3,451
Total	¥ 4,851	¥ 3,739	¥ -	¥ 8,590	¥ 2,755	¥ 3,451	¥ -	¥ 6,206

Thousands of U.S. dollars

	2024			
	Level 1	Level 2	Level 3	Total
Marketable securities and investments in securities:				
Other securities				
Equity securities	\$ 32,039	\$ -	\$ -	\$ 32,039
Corporate bonds	-	24,694	-	24,694
Total	\$ 32,039	\$ 24,694	\$ -	\$ 56,733

Notes: Explanation of valuation techniques used and inputs related to the calculation of fair value

Marketable securities and investments in securities

Fair values of listed equity securities and corporate bonds are determined by using quoted prices. Fair values of listed equity securities are categorized as Level 1 since they are traded in active markets. Fair values of corporate bonds are categorized as Level 2 because the frequency of market transactions is low and they are not recognized as having quoted prices in active markets.

Notes to Consolidated Financial Statements

March 31, 2024

8. Marketable Securities and Investments in Securities

Marketable securities and investments in securities classified as other securities at March 31, 2024 and 2023 are summarized as follows:

	Millions of yen					
	2024			2023		
	Carrying value	Acquisition cost	Difference	Carrying value	Acquisition cost	Difference
Securities whose carrying value exceeds their acquisition cost:						
Equity securities	¥ 4,851	¥ 2,163	¥ 2,688	¥ 1,827	¥ 969	¥ 858
Corporate bonds	504	500	4	502	501	1
Subtotal	5,355	2,663	2,692	2,329	1,470	859
Securities whose carrying value does not exceed their acquisition cost:						
Equity securities	-	-	-	928	1,001	(73)
Corporate bonds	3,235	3,301	(66)	2,949	3,002	(53)
Subtotal	3,235	3,301	(66)	3,877	4,003	(126)
Total	¥ 8,590	¥ 5,964	¥ 2,626	¥ 6,206	¥ 5,473	¥ 733

	Thousands of U.S. dollars		
	2024		
	Carrying value	Acquisition cost	Difference
Securities whose carrying value exceeds their acquisition cost:			
Equity securities	\$ 32,039	\$ 14,286	\$ 17,753
Corporate bonds	3,328	3,302	26
Subtotal	35,367	17,588	17,779
Securities whose carrying value does not exceed their acquisition cost:			
Equity securities			
Corporate bonds	21,366	21,802	(436)
Subtotal	21,366	21,802	(436)
Total	\$ 56,733	\$ 39,390	\$ 17,343

Sales of other securities for the years ended March 31, 2024 and 2023 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Sales	¥ 36	¥ 12	\$ 238
Aggregate gain	16	6	106
Aggregate loss	-	-	-

ICOM INCORPORATED AND SUBSIDIARIES

Notes to Consolidated Financial Statements

March 31, 2024

9. Inventories

Inventories at March 31, 2024 and 2023 are consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Goods and finished products	¥ 7,175	¥ 4,482	\$ 47,388
Work in process	108	88	713
Raw materials and supplies	7,111	8,267	46,965
Total	¥ 14,394	¥ 12,837	\$ 95,066

Cost of sales include a loss on devaluation of inventories of ¥259 million (\$1,711 thousand) and ¥363 million for the years ended March 31, 2024 and 2023, respectively.

10. Retirement Benefit Plans

(1) Outline of retirement benefits for employees

The Company and its domestic subsidiaries have defined benefit corporate pension plans and lump-sum payment plans and also the small-and medium-size enterprises' retirement allowance mutual aid system as a defined contribution plan for employees.

The Company and its domestic subsidiaries may pay additional retirement benefits to employees under certain circumstances.

For the calculation of retirement benefit liabilities and retirement benefit expenses, certain consolidated subsidiaries have adopted method, which deems term-end amounts payable for voluntary retirement related to retirement benefits as retirement benefit obligations.

(2) Retirement benefit liability for the years ended March 31, 2024 and 2023

i) The changes in retirement benefit obligation are outlined as follows (except for retirement benefit obligation calculated by the simplified method):

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Retirement benefit obligation at beginning of year	¥ 6,519	¥ 7,074	\$ 43,055
Service cost	191	215	1,262
Interest cost	98	59	647
Actuarial loss	153	(692)	1,011
Retirement benefits paid	(127)	(137)	(839)
Retirement benefit obligation at end of year	¥ 6,834	¥ 6,519	\$ 45,136

ii) The changes in plan assets at fair value are outlined as follows (except for retirement benefit obligation calculated by simplified method):

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Plan assets at fair value at beginning of year	¥ 6,929	¥ 6,768	\$ 45,763
Expected return on plan assets	49	45	324
Actuarial gain	812	(170)	5,363
Contributions by the employer	431	423	2,847
Retirement benefits paid	(127)	(137)	(839)
Plan assets at fair value at end of year	¥ 8,094	¥ 6,929	\$ 53,458

Notes to Consolidated Financial Statements

March 31, 2024

10. Retirement Benefits Plans (continued)

(2) Retirement benefit liability for the years ended March 31, 2024 and 2023 (continued)

iii) The changes in retirement benefits obligation calculated by the simplified method are outlined as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Retirement benefit obligation at beginning of year	¥ 550	¥ 525	\$ 3,632
Retirement benefits expenses	54	49	357
Retirement benefits paid	(23)	(24)	(152)
Retirement benefit obligation at end of year	¥ 581	¥ 550	\$ 3,837

iv) The balance of retirement benefit obligation and plan assets at fair value, liabilities and assets recognized in the consolidated balance sheets are outlined as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Funded retirement benefit obligation	¥ 6,834	¥ 6,519	\$ 45,136
Plan assets at fair value	(8,094)	(6,929)	(53,458)
	(1,260)	(410)	(8,322)
Unfunded retirement benefit obligation	581	550	3,837
Net amount of liabilities and assets recognized in consolidated balance sheets	¥ (679)	¥ 140	\$ (4,485)
Retirement benefit liability	581	550	3,837
Retirement benefit asset	(1,260)	(410)	(8,322)
Net amount of liabilities and assets recognized in consolidated balance sheets	¥ (679)	¥ 140	\$ (4,485)

v) The components of retirement benefit expenses for the years ended March 31, 2024 and 2023 are outlined as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Service cost	¥ 244	¥ 264	\$ 1,612
Interest cost	98	59	647
Expected return on plan assets	(49)	(45)	(324)
Amortization:			
Actuarial loss	2	27	14
Retirement benefit expenses	¥ 295	¥ 305	\$ 1,949

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Notes to Consolidated Financial Statements

March 31, 2024

10. Retirement Benefits Plans (continued)

(2) Retirement benefit liability for the years ended March 31, 2024 and 2023 (continued)

vi) The component of retirement benefit liability adjustments included in other comprehensive income before tax effects are outlined as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Actuarial gain	¥ 661	¥ 548	\$ 4,366
Total	¥ 661	¥ 548	\$ 4,366

vii) The balance of retirement benefit liability adjustments recognized in accumulated other comprehensive income before tax effects is outlined as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Unrecognized actuarial loss	¥ 955	¥ 294	\$ 6,307
Total	¥ 955	¥ 294	\$ 6,307

viii) The plan assets by major category consist of the following:

	2024	2023
Debt securities	52%	59%
Equity securities	35	29
Cash and deposits	1	1
Other	12	11
Total	100%	100%

The expected long-term rate of return on plan assets is determined as a result of consideration of both the portfolio allocation to each class at present and in the future, and long-term expected rate of return from multiple plan assets at present and in the future.

ix) The assumptions used in accounting for the defined benefit plans for the years ended March 31, 2024 and 2023 are as follows:

	2024	2023
Discount rates	1.5%	1.5%
Expected long-term rates of return on plan assets	0.7	0.7
Expected rate of compensation increases	1.3	1.3

Total contributions paid by a consolidated subsidiary to the defined contribution pension plans for the years ended March 31, 2024 and 2023 amounted to ¥2 million (\$13 thousand) and nil, respectively.

Notes to Consolidated Financial Statements

March 31, 2024

11. Income Taxes

Income taxes applicable to the Company and its domestic subsidiaries comprise corporation, enterprise and inhabitants' taxes which, in the aggregate, resulted in statutory tax rate of approximately 30.6% for the years ended March 31, 2024 and 2023. The overseas subsidiaries are subject to income taxes of the respective countries in which they operate.

Reconciliations of the statutory tax rate and effective tax rate for the years ended March 31, 2024 and 2023 as a percentage of profit before income taxes are as follows:

	2024	2023
Statutory tax rate	30.6%	30.6%
Non-deductible entertainment expenses and other for income tax purposes	0.5	1.2
Per capita portion of inhabitants' taxes	0.6	0.7
Tax credit for experimentation and research expenses	(10.1)	(9.0)
Differences in tax rates applicable to overseas subsidiaries	(1.3)	(1.5)
Equity in earnings of affiliates	(0.3)	0.2
Valuation allowance	0.0	(0.4)
Effect of Tax Cuts and Jobs Act in U.S.	0.0	0.1
Accumulated earnings tax	0.6	(0.5)
Amortization of goodwill	0.5	-
Other	0.5	(0.3)
Effective tax rate	21.6%	21.1%

Notes to Consolidated Financial Statements

March 31, 2024

11. Income Taxes (continued)

The significant components of deferred tax assets and liabilities at March 31, 2024 and 2023 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Deferred tax assets:			
Unrealized gain on inventories	¥ 618	¥ 314	\$ 4,082
Long-term accounts payable - other	139	139	918
Provision for accrued bonuses	327	200	2,160
Accrued enterprise tax	75	62	495
Deferred revenue	8	8	53
Retirement benefit liability	174	165	1,149
Allowance for doubtful accounts	23	14	152
Loss on valuation of investments in securities	25	25	165
Accrued legal welfare expense on bonuses	52	32	344
Net operating loss carryforward	47	32	310
Warranty reserves	39	-	258
Loss on devaluation of inventories	174	176	1,149
Other	75	73	495
Gross deferred tax assets	1,776	1,240	11,730
Valuation allowance	(45)	(34)	(297)
Total deferred tax assets	1,731	1,206	11,433
Deferred tax liabilities:			
Unrealized holding gain on securities	(802)	(223)	(5,297)
Gain on sales of property, plant and equipment	(208)	(179)	(1,374)
Accumulated earnings tax	(141)	(115)	(931)
Retirement benefit asset	(385)	(125)	(2,543)
Other	(24)	(13)	(158)
Total deferred tax liabilities	(1,560)	(655)	(10,303)
Net deferred tax assets	¥ 171	¥ 551	\$ 1,130

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Notes to Consolidated Financial Statements

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12. Derivatives and Hedging Activities

There were no outstanding derivatives positions not designated as hedging instruments as of March 31, 2024 and 2023.

There were no derivatives positions outstanding which qualify for hedge accounting at March 31, 2023.

The estimated fair value of the derivatives positions outstanding which qualify for hedge accounting at March 31, 2024 is summarized as follows:

			<i>Millions of yen</i>		
			2024		
Method of hedge accounting	Transaction	Major hedged item	Nominal amount	More than one year	Fair value
Allocation method for forward foreign exchange contracts	Forward foreign exchange contracts	Foreign currency deposits			
	Sell:				
	USD		¥ 300	¥ -	¥ -
			¥ 300	¥ -	¥ -
			<i>Thousands of U.S. dollars</i>		
			2024		
Method of hedge accounting	Transaction	Major hedged item	Nominal amount	More than one year	Fair value
Allocation method for forward foreign exchange contracts	Forward foreign exchange contracts	Foreign currency deposits			
	Sell:				
	USD		\$ 1,981	\$ -	\$ -
			\$ 1,981	\$ -	\$ -

The forward foreign exchange contracts that qualify for the allocation method and the underlying foreign currency deposits are accounted for as a unit. Therefore, the fair value of the forward foreign exchange contracts is included in cash and deposits.

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Notes to Consolidated Financial Statements

March 31, 2024

13. Revenue Recognition

(1) Information on disaggregated revenue arising from contracts with customers

	Millions of yen				
	2024				
	Japan	North America	Europe	Asia & Oceania	Subtotal
Sales					
Goods or services transferred at a point in time	¥ 16,940	¥ 13,363	¥ 2,228	¥ 1,553	¥ 34,084
Goods or services transferred over time	2,538	286	194	15	3,033
Revenue from contracts with customers	19,478	13,649	2,422	1,568	37,117
Other revenue	-	-	-	-	-
Sales to external customers	¥ 19,478	¥ 13,649	¥ 2,422	¥ 1,568	¥ 37,117
Sales to government offices	¥ 713	¥ 355	¥ 1	¥ 12	¥ 1,081

	Millions of yen				
	2023				
	Japan	North America	Europe	Asia & Oceania	Subtotal
Sales					
Goods or services transferred at a point in time	¥ 15,898	¥ 12,188	¥ 2,025	¥ 1,461	¥ 31,572
Goods or services transferred over time	2,206	277	107	12	2,602
Revenue from contracts with customers	18,104	12,465	2,132	1,473	34,174
Other revenue	-	-	-	-	-
Sales to external customers	¥ 18,104	¥ 12,465	¥ 2,132	¥ 1,473	¥ 34,174
Sales to government offices	¥ 1,678	¥ 561	¥ 2	¥ 14	¥ 2,255

	Thousands of U.S. dollars				
	2024				
	Japan	North America	Europe	Asia & Oceania	Subtotal
Sales					
Goods or services transferred at a point in time	\$ 111,882	\$ 88,257	\$ 14,715	\$ 10,257	\$ 225,111
Goods or services transferred over time	16,762	1,889	1,281	99	20,031
Revenue from contracts with customers	128,644	90,146	15,996	10,356	245,142
Other revenue	-	-	-	-	-
Sales to external customers	\$ 128,644	\$ 90,146	\$ 15,996	\$ 10,356	\$ 245,142
Sales to government offices	\$ 4,709	\$ 2,345	\$ 7	\$ 79	\$ 7,140

Notes to Consolidated Financial Statements

March 31, 2024

13. Revenue Recognition (continued)

(2) Information providing a basis for understanding revenue arising from contracts with customers.

Basic information for understanding revenue arising from contracts with customers is shown in "(m) Significant revenues and expenses" of Note 2 "Summary of Significant Accounting Policies".

(3) Information about the amount of revenue from contracts with existing customers at the end of the fiscal year that are expected to be recognized in the following fiscal year or beyond

i) Balance of contract assets and contract liabilities

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Contract liabilities (Beginning balance)			
Advance payments received	¥ 177	¥ 78	\$ 1,169
Unearned revenue	50	26	330
Long-term unearned revenue	92	48	608
Total	¥ 319	¥ 152	\$ 2,107

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Contract liabilities (Ending balance)			
Advance payments received	¥ 114	¥ 177	\$ 753
Unearned revenue	72	50	476
Long-term unearned revenue	111	92	733
Total	¥ 297	¥ 319	\$ 1,962

Note:

1. Contract liabilities consist of advances received from customers on sales of goods and products and unearned revenue and long-term unearned revenue from customers on sales of services and other sales. Contract liabilities are reversed as revenue is recognized.
2. Contract liabilities are included in "Other current liabilities" under current liabilities and "Other long-term liabilities" under long-term liabilities in the consolidated balance sheet at March 31, 2024 and 2023.
3. The amount of revenue recognized for the years ended March 31, 2024 and 2023 that were included in the balance of contract liabilities at the beginning of the years were ¥219 million (\$1,446 thousand) and ¥91 million, respectively.

ii) Transaction price allocated to remaining performance obligations

Since there were no significant transactions in which the originally expected contract period exceeded one year, the practical expedient is applied and information related to amount of remaining performance obligations and period in which revenue is expected to be recognized has been omitted.

Notes to Consolidated Financial Statements

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14. Shareholders' Equity

The Companies Act (the "Act") provides that an amount equal to 10% of the amount to be disbursed as distributions of capital surplus (other than the capital reserve) and retained earnings (other than the legal reserve) be transferred to the capital reserve and the legal reserve, respectively, until the sum of the capital reserve and the legal reserve equals 25% of the capital stock account. Such distributions can be made at any time by resolution of the shareholders, or by the board of directors if certain conditions are met.

The Company's legal reserve included in retained earnings at March 31, 2024 and 2023 amounted to ¥293 million (\$1,935 thousand).

In addition, upon the issuance and sale of new shares of capital stock, the entire amount of the proceeds is required to be accounted for as capital stock, although a company may, by resolution of the board of directors, account for an amount not exceeding one-half of the proceeds of the sale of new shares as additional paid-in capital included in capital surplus.

Movements in treasury stock for the years ended March 31, 2024 and 2023 are summarized as follows:

Number of shares				
2024				
	April 1, 2023	Increase	Decrease	March 31, 2024
Shares issued: Common stock	14,850,000	-	-	14,850,000
Treasury stock: Common stock	497,412	211	-	497,623

The increase in treasury stock of 211 shares is due to purchases of 211 shares of less than one voting unit for the year ended March 31, 2024.

Number of shares				
2023				
	April 1, 2022	Increase	Decrease	March 31, 2023
Shares issued: Common stock	14,850,000	-	-	14,850,000
Treasury stock: Common stock	497,178	234	-	497,412

The increase in treasury stock of 234 shares is due to purchases of 234 shares of less than one voting unit for the year ended March 31, 2023.

Notes to Consolidated Financial Statements

March 31, 2024

15. Research and Development Costs

Research and development costs included in selling, general and administrative expenses for the years ended March 31, 2024 and 2023 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Research and development costs	¥ 3,963	¥ 3,862	\$ 26,174

16. Other Comprehensive Income

Reclassification adjustments and tax effects of other comprehensive income for the years ended March 31, 2024 and 2023 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Net unrealized holding gain on securities:			
Amount arising during the year	¥ 1,909	¥ 193	\$ 12,608
Reclassification adjustments	(16)	-	(106)
Before tax effects	1,893	193	12,502
Tax effects	(579)	(59)	(3,824)
Net unrealized holding gain on securities	1,314	134	8,678
Deferred gain on hedges:			
Amount arising during the year	2	-	13
Reclassification adjustments	(2)	-	(13)
Deferred gain on hedges	-	-	-
Translation adjustments:			
Amount arising during the year	1,093	344	7,219
Reclassification adjustments	-	-	-
Translation adjustments	1,093	344	7,219
Retirement benefit liability adjustments:			
Amount arising during the year	659	522	4,352
Reclassification adjustments	2	26	14
Before tax effects	661	548	4,366
Tax effects	(202)	(168)	(1,334)
Retirement benefit liability adjustments	459	380	3,032
Total other comprehensive income	¥ 2,866	¥ 858	\$ 18,929

Notes to Consolidated Financial Statements

March 31, 2024

17. Amounts Per Share

Amounts per share at March 31, 2024 and 2023 and for the years then ended are as follows:

	Yen		U.S. dollars
	2024	2023	2024
Net assets per share	¥ 4,580.77	¥ 4,211.85	\$ 30.25
Profit attributable to owners of parent:			
Basic	241.19	179.39	1.59
Cash dividends	72.00	50.00	0.48

Net assets per share is computed based on net assets and the number of shares of common stock outstanding at the respective year end.

Basic profit attributable to owners of parent per share is computed based on the profit attributable to owners of parent available for distribution to shareholders of common stock and the weighted-average number of shares of common stock outstanding during each year. Cash dividends per share represent the cash dividends declared as applicable to the respective fiscal years.

Profit per share for the years ended March 31, 2024 and 2023 are calculated based on the following:

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Profit attributable to owners of parent	¥ 3,462	¥ 2,575	\$ 22,865
Amounts not attributable to common shareholders	-	-	-
Profit attributable to owners of parent for common stock	3,462	2,575	22,865

	Thousands of shares	
	2024	2023
Average number of common stock during the fiscal year	14,352	14,352

ICOM INCORPORATED AND SUBSIDIARIES

Notes to Consolidated Financial Statements

March 31, 2024

18. Segment Information

i) Outline of segment information

The Group's reporting segments are divisions of the Group for which separate financial information is available, and whose operating results are reviewed regularly by the board of directors meeting of the Group in order to allocate management resources and assess performance of operations.

The Group are primarily engaged in the manufacture and sale of telecommunication equipment. The subsidiaries are independent business units and formulate comprehensive strategies for products and operate business geographically.

Therefore, the Group consists of four segments based on sales by region. The four segments are "Japan", "North America," which primarily includes the United States and Canada; "Europe," which primarily includes Germany and Spain; and "Asia & Oceania," which primarily includes Australia, China and Vietnam as of March 31, 2024 and 2023.

ii) Calculation methods used for sales, income or loss, assets and other items on each reporting segment

The accounting policies of the segments are substantially the same as those described in the significant accounting policies in Note 2. Segment performance is evaluated based on operating income or loss. Intersegment sales are recorded at the same prices applied in transactions with third parties.

iii) Information as to sales, income or loss, assets and other items on each reporting segment

Information by reporting segment for the years ended March 31, 2024 and 2023 are as follows:

	Millions of yen						
	2024						
	Japan	North America	Europe	Asia & Oceania	Subtotal	Adjustments	Consolidated
I. Segment income							
Sales to third parties	¥ 19,478	¥ 13,649	¥ 2,422	¥ 1,568	¥ 37,117	¥ -	¥ 37,117
Intersegment sales	13,698	4	-	297	13,999	(13,999)	-
Net sales	33,176	13,653	2,422	1,865	51,116	(13,999)	¥ 37,117
Operating income	¥ 3,533	¥ 541	¥ 195	¥ 136	¥ 4,405	¥ (989)	¥ 3,416
II. Segment assets	¥ 62,852	¥ 11,317	¥ 1,966	¥ 2,413	¥78,548	¥(5,389)	¥73,159
III. Other items							
Depreciation and amortization	¥ 1,017	¥ 104	¥ 29	¥ 14	¥ 1,164	¥ -	¥ 1,164
Investments in affiliates	127	-	-	-	127	-	127
Increase in property, plant and equipment / intangible assets	1,204	121	600	16	1,941	-	1,941

Notes:

1. Segment income is reconciled with operating income booked in the Consolidated Statement of Income.
2. Adjustments for segment income were mainly related to elimination of intersegment transactions. There are no expenses that cannot be allocated to segments.
3. Adjustments for segment assets was mainly related to unrealized gain adjustment and elimination of intersegment transactions.

ICOM INCORPORATED AND SUBSIDIARIES

Notes to Consolidated Financial Statements

March 31, 2024

18. Segment Information (continued)

iii) Information as to sales, income or loss, assets and other items on each reporting segment (continued)

Millions of yen

	2023					
	Japan	North America	Europe	Asia & Oceania	Subtotal	Consolidated
I. Segment income						
Sales to third parties	¥ 18,104	¥ 12,465	¥ 2,132	¥ 1,473	¥ 34,174	¥ 34,174
Intersegment sales	10,977	4	0	179	11,160	(11,160)
Net sales	29,081	12,469	2,132	1,652	45,334	¥ 34,174
Operating income	¥ 2,406	¥ 477	¥ 196	¥ 94	¥ 3,173	¥ (323)
II. Segment assets	¥58,272	¥ 8,948	¥ 1,709	¥ 2,196	¥71,125	¥(3,961)
III. Other items						
Depreciation and amortization	¥ 759	¥ 80	¥ 5	¥ 12	¥ 856	¥ -
Investments in affiliates	87	-	-	-	87	-
Increase in property, plant and equipment / intangible assets	721	103	14	9	847	-

Thousands of U.S. dollars

	2024					
	Japan	North America	Europe	Asia & Oceania	Subtotal	Consolidated
I. Segment income						
Sales to third parties	\$ 128,644	\$ 90,146	\$ 15,996	\$ 10,356	\$ 245,142	\$ -
Intersegment sales	90,470	26	-	1,962	92,458	(92,458)
Net sales	219,114	90,172	15,996	12,318	337,600	(92,458)
Operating income	\$ 23,334	\$ 3,573	\$ 1,287	\$ 899	\$ 29,093	\$ (6,532)
II. Segment assets	\$ 415,111	\$ 74,744	\$ 12,985	\$ 15,937	\$518,777	\$ (35,592)
III. Other items						
Depreciation and amortization	\$ 6,717	\$ 687	\$ 192	\$ 92	\$ 7,688	\$ -
Investments in affiliates	839	-	-	-	839	-
Increase in property, plant and equipment / intangible assets	7,952	799	3,963	106	12,820	-

Notes to Consolidated Financial Statements

March 31, 2024

18. Segment Information (continued)

iv) Geographical information

(a) Sales

Sales categorized by country and region based on locations of customers by the Group for the years ended March 31, 2024 and 2023 are summarized as follows:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	2024	2023	2024
Japan	¥ 11,338	¥ 11,269	\$ 74,883
USA	8,564	8,451	56,562
North America (except for the USA)	3,468	2,493	22,904
Europe	6,245	5,581	41,246
Asia & Oceania	5,955	4,899	39,330
Others	1,547	1,481	10,217
Total	¥ 37,117	¥ 34,174	\$ 245,142

Notes to Consolidated Financial Statements

March 31, 2024

18. Segment Information (continued)

iv) Geographical information

(b) Property, plant and equipment

	Millions of yen		Thousands of U.S. dollars
	2024	2023	2024
Japan	¥ 6,420	¥ 6,201	\$ 42,401
USA	1,525	1,325	10,072
North America (except for the USA)	19	20	125
Europe	565	19	3,732
Asia & Oceania	190	174	1,255
Others	-	-	-
Total	¥ 8,719	¥ 7,739	\$ 57,585

Disclosure of the information by product and service for the years ended March 31, 2024 and 2023 has been omitted as sales of products and services to external customers in a single segment account for more than 90% of net sales in the consolidated statement of income.

Sales information by major customers for the years ended March 31, 2024 and 2023 was omitted as no single customer accounted for 10% or more of consolidated net sales.

v) Information about amortization of goodwill and unamortized balance by reportable segment

	Millions of yen					
	2024					
	Japan	North America	Europe	Asia & Oceania	Adjustments	Consolidated
Amortization	¥ 79	¥ -	¥ -	¥ -	¥ -	¥ 79
Unamortized balance	-	-	-	-	-	-

	Thousands of U.S. dollars					
	2024					
	Japan	North America	Europe	Asia & Oceania	Adjustments	Consolidated
Amortization	\$ 522	\$ -	\$ -	\$ -	\$ -	\$ 522
Unamortized balance	-	-	-	-	-	-

ICOM INCORPORATED AND SUBSIDIARIES

Notes to Consolidated Financial Statements

March 31, 2024

19. Subsequent Events

The following distribution of retained earnings of the Company, which has not been reflected in the accompanying consolidated financial statements for the year ended March 31, 2024, was approved at the Company's general shareholders' meeting held on June 25, 2024:

	<i>Millions of yen</i>	<i>Thousands of U.S. dollars</i>
	2024	2024
Cash dividends (¥72 = U.S. \$0.48 per share)	¥ 1,033	\$ 6,823

Independent Auditor's Report

The Board of Directors
ICOM INCORPORATED

The Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of ICOM INCORPORATED and its consolidated subsidiaries (the Group), which comprise the consolidated balance sheet as at March 31, 2024, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Appropriateness of sales cut-off of ICOM INCORPORATED	
Description of Key Audit Matter	Auditor's Response
ICOM INCORPORATED (the "Company") and its consolidated subsidiaries are mainly engaged in the sale of telecommunication equipment. The sale of telecommunication equipment in the Japan segment is classified as goods or services transferred at a point in time	<p>We mainly performed the following audit procedures in examining the appropriateness of the Company's sales cut-off.</p> <p>(1) Evaluation of internal controls</p> <ul style="list-style-type: none"> In order to evaluate the design and

and amounted to ¥16,940 million (\$111,882 thousand) (*) as described in Note 13 of the notes to the consolidated financial statements, which accounted for 45.6% of net sales on the consolidated financial statements. In addition, the Company recognizes sales that are quantitatively material in the Japan segment.

As described in i) “Revenues from sales of goods and products” (m) “Significant revenues and expenses” under Note 2 “Summary of Significant Accounting Policies”, the Company recognizes revenue of telecommunication equipment at the time of delivery when control over merchandise and finished products is transferred to the customer and the Company’s performance obligation is satisfied. For sales of goods and products within Japan, revenue is recognized at the time of shipment if the period from the time of shipment to the time when control of the goods and products is transferred to the customer is a normal period of time.

In this respect, there is a risk that sales are not recorded in the appropriate accounting period, mainly due to the following reasons.

- The Company handles a wide variety of telecommunication equipment and transacts throughout the year with a large amount of transactions in the fourth quarter of the fiscal year in particular.
- Although the transaction amount per transaction for merchandise and finished products is relatively small, the impact of incorrect processing could be material due to the large volume of transactions.
- The Company has a sales target for a management goal, and since Company’s sales in the core Japan segment are an important management indicator for management and financial statement users, an error in the timing of sales reporting would have a significant impact on the consolidated financial statements.

operating effectiveness of certain internal controls over the appropriateness of the sales cut-off, we performed inspections of relevant documents, made inquiries with the related person in charge and conducted examinations of internal control implementation records, based on samples we selected.

(2) Substantive procedures

- In order to understand trends of the industry’s market environment and business activities, we held discussions with management and the responsible person in sales department.
- In order to examine whether sales are recorded in the appropriate accounting period, we selected transactions above a certain threshold and at random from sales data over a certain period of time before and after the fiscal year end and traced shipping invoices issued by distributors, product acceptance receipts and bill of lading.
- In order to examine whether sales are recorded in the appropriate accounting period, we performed a balance confirmation of accounts receivable for selected samples based on the risk using the end of the fiscal year as the confirmation date.
- In order to examine that there were no transactions that should be accounted for as sales cancellations for the current fiscal year, we inspected sales data over a certain period of time after the fiscal year end and reviewed whether there were any returns or discounts above a certain threshold.

<p>We, therefore, determined that the appropriateness of the Company's sales cut-off in the Japan segment was the most significant in our audit of the consolidated financial statements for the current period, and accordingly, a key audit matter.</p>	
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(*)The translation of Japanese yen amounts into U.S. dollar amounts has been made on the basis described in Note 1 to the consolidated financial statements.

Other Information

The other information comprises the information included in the Annual Report that contains audited consolidated financial statements, but does not include the consolidated financial statements and our auditor's report thereon. Management is responsible for preparation and disclosure of the other information. The Corporate Auditor and the Board of Corporate Auditors are responsible for overseeing the Group's reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, the Corporate Auditor and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Corporate Auditor and the Board of Corporate Auditors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Corporate Auditor and the Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Corporate Auditor and the Board of Corporate Auditors with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

From the matters communicated with the Corporate Auditor and the Board of Corporate Auditors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2024 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

Fee-related Information

The fees for the audits of the financial statements of ICOM INCORPORATED and its subsidiaries and other services provided by us and other EY member firms for the year ended March 31, 2024 are 36 million yen and 1 million yen, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC
Osaka, Japan

August 9, 2024

堀川 紀之

Noriyuki Horikawa
Designated Engagement Partner
Certified Public Accountant

高田 康弘

Yasuhiro Takata
Designated Engagement Partner
Certified Public Accountant

Other Information

BOARD OF DIRECTORS AND AUDITORS

(As of Jun 25, 2024)

Tokuzo Inoue

Chairman and Representative Director

Hiroshi Nakaoka

President and Representative Director

Yoshiki Enomoto

Director

Haruyuki Yoshizawa

External Director

Akifumi Honda

External Director

Yoko Murakami

External Director

Takayuki Seto

Auditor

Hiroshi Umemoto

External Auditor

Katsunori Sugimoto

External Auditor

EXECUTIVE OFFICERS

(As of Jun 25, 2024)

Shigeyoshi Tanabe

Kenichi Noda

Mitsuhiro Nakatani

Masahiro Hasegawa

Aaron Camp

Kazuo Tabe

SUBSIDIARIES

(As of March 31, 2024)

Icom America, Inc.

Icom (Europe) GmbH

Icom (Australia) Pty., Ltd.

Icom Spain, S.L.

PURECOM CO., LTD

ICOM ASIA COMPANY LIMITED

Wakayama Icom Inc.

Icom Information Products Inc.

Icom America License Holding LLC

ICOM CANADA HOLDINGS INC.

ICOM DO BRASIL

RADIOCOMUNICACAO LTDA.

ICOM CENTRAL AMERICA, S.DE

R.L.DE C.V.

Macrotechnos Co., Ltd.

AFFILIATES

Comforce, Inc.

Position Co., Ltd.

HEAD OFFICE DIRECTORY

1-1-32, Kamiminami, Hirano-ku,

Osaka, 547-0003, Japan

Phone: 81-6-6793-5301

Fax: 81-6-6793-5305

URL <http://www.icom.co.jp/>

TRANSFER AGENT

(As of March 31, 2024)

Mitsubishi UFJ Trust and Banking Corporation

Tokyo Office:

4-5, Marunouchi 1-chome,
Chiyoda-ku, Tokyo 100-8212,
Japan

Osaka Office:

6-3, Fushimimachi 3-chome,
Chuo-ku, Osaka, 541-0044,
Japan

INVESTOR RELATIONS

(As of March 31, 2024)

Yoshiki Enomoto

Director

Accounting Department

1-1-32, Kamiminami, Hirano-ku,
Osaka, 547-0003, Japan

Phone: 81-6-6793-5301

Fax: 81-6-6793-5305

CORPORATE FACTS

(As of March 31, 2024)

Established: July 1964

Employees: HQ 610 /Group 1,034

Paid-in capital: ¥7,081 million

Authorized shares: 34,000,000

Issued and outstanding shares:
14,850,000

Shareholders: 12,738

Stock listing: Tokyo Stock Exchange

STOCK STATUS (As of March 31, 2024)

Major shareholders	Thousands of shares	%
Tokuzo Inoue	2,049	14.28
Gigapalace Inc.	1,472	10.26
UHPartners2. INC	1,379	9.61
HIKARI TSUSHIN. INC	1,185	8.26
The Icom Foundation	1,000	6.97
The Master Trust Bank of Japan, Ltd. (Trust account)	655	4.57
JVC KENWOOD Corporation	445	3.10
Custody Bank of Japan, Ltd. (Trust account)	434	3.03
Sumitomo Realty & Development Co., Ltd	357	2.49
ICOM Employee Shareholding Association	343	2.39



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