

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 6, 2024

Company name: C.I. TAKIRON Corporation
 Stock exchange listing: Tokyo
 Stock code: 4215 URL <https://www.takiron-ci.co.jp/>
 Representative: Representative Director President Yuji Fukuda
 General Manager Finance & Accounting Shuji Kondo
 Inquiries: Dept. TEL 03-6711-3714
 Scheduled date to file Quarterly Securities Report: February 9, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	102,065	(7.1)	4,122	(13.2)	4,339	(12.8)	2,745	(5.6)
Nine months ended December 31, 2022	109,832	4.2	4,748	(31.6)	4,975	(31.3)	2,907	(49.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	28.21		–	
Nine months ended December 31, 2022	29.90		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	150,284	94,486	62.0	956.53
As of March 31, 2023	149,274	92,658	61.1	937.34

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	11.00	–	4.00	15.00
Year ending March 31, 2024	–	11.00	–		
Year ending March 31, 2024 (Forecast)				11.00	22.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	146,000	0.2	6,200	7.1	6,300	6.4	5,000	103.2	51.37

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	97,597,530 shares	As of March 31, 2023	97,553,655 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	234,933 shares	As of March 31, 2023	271,516 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	97,323,524 shares	Nine months ended December 31, 2022	97,247,547 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	5,603	9,002
Notes and accounts receivable - trade, and contract assets	33,295	30,138
Electronically recorded monetary claims - operating	13,637	16,749
Merchandise and finished goods	16,561	17,097
Work in process	3,540	3,921
Raw materials and supplies	8,024	6,917
Deposits paid	16,141	14,842
Other	1,330	1,334
Allowance for doubtful accounts	(40)	(20)
Total current assets	98,095	99,984
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,352	14,002
Machinery, equipment and vehicles, net	9,347	9,446
Land	12,609	12,616
Construction in progress	997	979
Other, net	2,726	2,742
Total property, plant and equipment	40,033	39,786
Intangible assets	2,755	3,087
Investments and other assets		
Investment securities	3,036	1,838
Deferred tax assets	2,238	2,534
Other	3,116	3,055
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	8,389	7,425
Total non-current assets	51,178	50,299
Total assets	149,274	150,284

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	25,240	22,697
Electronically recorded obligations - operating	5,964	6,674
Short-term borrowings	5,939	5,684
Income taxes payable	797	1,631
Provision for bonuses	1,810	1,115
Other	6,479	7,274
Total current liabilities	46,233	45,078
Non-current liabilities		
Deferred tax liabilities	682	714
Retirement benefit liability	5,576	5,699
Asset retirement obligations	158	159
Provision for product warranties	699	657
Other	3,264	3,487
Total non-current liabilities	10,382	10,718
Total liabilities	56,615	55,797
Net assets		
Shareholders' equity		
Share capital	15,204	15,216
Capital surplus	31,034	31,046
Retained earnings	43,003	44,285
Treasury shares	(170)	(146)
Total shareholders' equity	89,071	90,402
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	94	264
Deferred gains or losses on hedges	(10)	(2)
Foreign currency translation adjustment	1,380	1,877
Remeasurements of defined benefit plans	650	588
Total accumulated other comprehensive income	2,114	2,727
Non-controlling interests	1,471	1,356
Total net assets	92,658	94,486
Total liabilities and net assets	149,274	150,284

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	109,832	102,065
Cost of sales	80,915	74,796
Gross profit	28,916	27,268
Selling, general and administrative expenses	24,168	23,146
Operating profit	4,748	4,122
Non-operating income		
Dividend income	110	74
Share of profit of entities accounted for using equity method	–	29
Rental income	105	105
Other	312	376
Total non-operating income	528	586
Non-operating expenses		
Interest expenses	75	215
Rental costs	55	56
Other	170	97
Total non-operating expenses	301	369
Ordinary profit	4,975	4,339
Extraordinary income		
Gain on sale of non-current assets	5	5
Gain on sale of investment securities	0	303
Gain on sale of shares of subsidiaries and associates	–	41
Gain on sale of golf club membership	–	14
Gain on termination of retirement benefit plan	131	–
Gain on liquidation of subsidiaries and associates	185	–
Total extraordinary income	322	364
Extraordinary losses		
Loss on disposal of non-current assets	99	16
Loss on sale of investment securities	–	0
Loss on valuation of investment securities	–	50
Loss on liquidation of business	–	457
Provision for product warranties	391	–
Loss on COVID-19	140	–
Total extraordinary losses	632	524
Profit before income taxes	4,665	4,179
Income taxes	1,753	1,627
Profit	2,911	2,552
Profit(loss)attributable to non-controlling interests	4	(193)
Profit attributable to owners of parent	2,907	2,745

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	2,911	2,552
Other comprehensive income		
Valuation difference on available-for-sale securities	(105)	170
Deferred gains or losses on hedges	6	8
Foreign currency translation adjustment	741	563
Remeasurements of defined benefit plans, net of tax	(87)	(64)
Total other comprehensive income	555	677
Comprehensive income	3,467	3,230
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,348	3,358
Comprehensive income attributable to non-controlling interests	118	(128)