

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 4, 2023

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: August 9, 2023  
 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 three months ended June 30, 2023 (from April 1, 2023 to June 30, 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	%
Three months ended June 30, 2023	34,433	(2.5)	1,066	(26.3)	1,236	(21.3)	884	15.1
Three months ended June 30, 2022	35,312	(1.5)	1,445	(51.3)	1,570	(49.1)	768	(64.5)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	9.09	–
Three months ended June 30, 2022	7.90	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	149,960	93,874	61.6	949.57
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	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	11.00	–	4.00	15.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		11.00	–	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	154,000	5.7	7,800	34.7	8,000	35.1	5,000	103.2	51.40

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 2023	97,553,655 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 June 30, 2023	271,516 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)

Three months ended June 30, 2023	97,282,139 shares	Three months ended June 30, 2022	97,215,729 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	5,603	6,076
Notes and accounts receivable - trade, and contract assets	33,295	31,201
Electronically recorded monetary claims - operating	13,637	14,699
Merchandise and finished goods	16,561	16,577
Work in process	3,540	3,858
Raw materials and supplies	8,024	8,267
Deposits paid	16,141	16,188
Other	1,330	1,558
Allowance for doubtful accounts	(40)	(56)
Total current assets	98,095	98,372
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,352	14,362
Machinery, equipment and vehicles, net	9,347	9,765
Land	12,609	12,618
Construction in progress	997	841
Other, net	2,726	2,805
Total property, plant and equipment	40,033	40,392
Intangible assets	2,755	2,910
Investments and other assets		
Investment securities	3,036	2,686
Deferred tax assets	2,238	2,286
Other	3,116	3,314
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	8,389	8,284
Total non-current assets	51,178	51,587
<b>Total assets</b>	<b>149,274</b>	<b>149,960</b>

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	25,240	24,516
Electronically recorded obligations - operating	5,964	6,087
Short-term borrowings	5,939	5,833
Income taxes payable	797	649
Provision for bonuses	1,810	1,158
Other	6,479	7,285
Total current liabilities	46,233	45,531
Non-current liabilities		
Deferred tax liabilities	682	725
Retirement benefit liability	5,576	5,646
Asset retirement obligations	158	158
Provision for product warranties	699	683
Other	3,264	3,338
Total non-current liabilities	10,382	10,553
Total liabilities	56,615	56,085
<b>Net assets</b>		
Shareholders' equity		
Share capital	15,204	15,204
Capital surplus	31,034	31,034
Retained earnings	43,003	43,497
Treasury shares	(170)	(170)
Total shareholders' equity	89,071	89,566
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	94	267
Deferred gains or losses on hedges	(10)	(11)
Foreign currency translation adjustment	1,380	1,929
Remeasurements of defined benefit plans	650	624
Total accumulated other comprehensive income	2,114	2,810
Non-controlling interests	1,471	1,498
Total net assets	92,658	93,874
Total liabilities and net assets	149,274	149,960

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	35,312	34,433
Cost of sales	25,784	25,501
Gross profit	9,528	8,931
Selling, general and administrative expenses	8,082	7,865
Operating profit	1,445	1,066
Non-operating income		
Dividend income	56	47
Share of profit of entities accounted for using equity method	–	2
Rental income	34	35
Other	89	194
Total non-operating income	181	279
Non-operating expenses		
Interest expenses	8	66
Rental costs	18	19
Other	29	24
Total non-operating expenses	56	109
Ordinary profit	1,570	1,236
Extraordinary income		
Gain on sale of non-current assets	0	1
Gain on sale of investment securities	–	80
Gain on sale of golf club membership	–	11
Gain on termination of retirement benefit plan	131	–
Gain on liquidation of subsidiaries and associates	185	–
Total extraordinary income	317	93
Extraordinary losses		
Loss on disposal of non-current assets	25	4
Provision for product warranties	391	–
Loss on COVID-19	138	–
Total extraordinary losses	555	4
Profit before income taxes	1,332	1,325
Income taxes	592	508
Profit	740	816
Loss attributable to non-controlling interests	(27)	(67)
Profit attributable to owners of parent	768	884

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	740	816
Other comprehensive income		
Valuation difference on available-for-sale securities	(135)	173
Deferred gains or losses on hedges	36	(1)
Foreign currency translation adjustment	1,085	647
Remeasurements of defined benefit plans, net of tax	(68)	(28)
Share of other comprehensive income of entities accounted for using equity method	–	0
Total other comprehensive income	917	791
Comprehensive income	1,658	1,608
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,534	1,579
Comprehensive income attributable to non-controlling interests	123	28