

# Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 10, 2023

Company name: FUJIKURA KASEI CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 4620 URL <http://www.fkkasei.co.jp>  
 Representative: President Daisuke Kato  
 Executive Director and Division Director of  
 Inquiries: Administrative Susumu Kurihara TEL 03-3436-1101  
 Headquarters of the Company  
 Scheduled date to file Quarterly Securities Report: February 10, 2023  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts are rounded off to the nearest million yen)

### 1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

#### (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, 2022 | 38,710          | 5.4 | 369              | (73.4) | 544             | (67.4) | 196                                     | (81.3) |
| Nine months ended December 31, 2021 | 36,741          | 3.8 | 1,385            | 77.5   | 1,672           | 57.4   | 1,051                                   | 85.1   |

|                                     | Earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------|----------------------------|
|                                     | Yen                | Yen                        |
| Nine months ended December 31, 2022 | 6.25               | –                          |
| Nine months ended December 31, 2021 | 33.03              | –                          |

#### (2) Consolidated financial position

|                         | Total assets    | Net assets      | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
|                         | Millions of yen | Millions of yen | %            |
| As of December 31, 2022 | 56,901          | 40,630          | 66.1         |
| As of March 31, 2022    | 52,763          | 38,520          | 67.8         |

### 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, 2022             | –                          | 8.00            | –               | 8.00            | 16.00 |
| Year ending March 31, 2023            | –                          | 8.00            | –               |                 |       |
| Year ending March 31, 2023 (Forecast) |                            |                 |                 | 8.00            | 16.00 |

### 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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 | 53,000          | 9.9 | 800              | (34.9) | 1,100           | (24.1) | 400                                     | (46.0) | 12.72              |

#### 4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2022  
(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: No
- (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, 2022 | 32,716,878 shares | As of March 31, 2022 | 32,716,878 shares |
|-------------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

|                         |                  |                      |                |
|-------------------------|------------------|----------------------|----------------|
| As of December 31, 2022 | 1,825,714 shares | As of March 31, 2022 | 887,714 shares |
|-------------------------|------------------|----------------------|----------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                     |                   |                                     |                   |
|-------------------------------------|-------------------|-------------------------------------|-------------------|
| Nine months ended December 31, 2022 | 31,441,764 shares | Nine months ended December 31, 2021 | 31,829,164 shares |
|-------------------------------------|-------------------|-------------------------------------|-------------------|

## Quarterly consolidated financial statements

### Consolidated balance sheets

(Thousands of yen)

|  | As of March 31, 2022 | As of December 31, 2022 |
|--|----------------------|-------------------------|
| Assets                                 |                      |                         |
| Current assets                         |                      |                         |
| Cash and deposits                      | 13,530,833           | 12,860,901              |
| Notes receivable - trade               | 932,142              | 1,150,744               |
| Accounts receivable - trade            | 8,926,459            | 9,930,558               |
| Merchandise and finished goods         | 4,108,863            | 4,632,505               |
| Work in process                        | 87,598               | 176,357                 |
| Raw materials and supplies             | 2,931,719            | 4,093,660               |
| Other                                  | 881,876              | 1,043,591               |
| Allowance for doubtful accounts        | (149,510)            | (167,863)               |
| Total current assets                   | 31,249,980           | 33,720,453              |
| Non-current assets                     |                      |                         |
| Property, plant and equipment          |                      |                         |
| Buildings and structures               | 13,106,667           | 13,878,050              |
| Accumulated depreciation               | (7,520,642)          | (8,021,978)             |
| Buildings and structures, net          | 5,586,025            | 5,856,072               |
| Machinery, equipment and vehicles      | 15,048,666           | 16,126,878              |
| Accumulated depreciation               | (12,702,086)         | (13,714,753)            |
| Machinery, equipment and vehicles, net | 2,346,580            | 2,412,125               |
| Tools, furniture and fixtures          | 5,313,265            | 5,436,964               |
| Accumulated depreciation               | (4,536,173)          | (4,674,738)             |
| Tools, furniture and fixtures, net     | 777,092              | 762,226                 |
| Land                                   | 4,550,638            | 4,661,287               |
| Leased assets                          | 778,595              | 877,343                 |
| Accumulated depreciation               | (386,730)            | (478,629)               |
| Leased assets, net                     | 391,865              | 398,714                 |
| Construction in progress               | 340,671              | 974,612                 |
| Total property, plant and equipment    | 13,992,871           | 15,065,036              |
| Intangible assets                      |                      |                         |
| Software                               | 134,690              | 264,249                 |
| Other                                  | 844,033              | 1,023,321               |
| Total intangible assets                | 978,723              | 1,287,570               |
| Investments and other assets           |                      |                         |
| Investment securities                  | 3,150,865            | 3,429,028               |
| Long-term loans receivable             | 199,847              | 192,121                 |
| Deferred tax assets                    | 525,944              | 509,665                 |
| Other                                  | 2,805,080            | 2,835,170               |
| Allowance for doubtful accounts        | (139,938)            | (138,323)               |
| Total investments and other assets     | 6,541,798            | 6,827,661               |
| Total non-current assets               | 21,513,392           | 23,180,267              |
| Total assets                           | 52,763,372           | 56,900,720              |

(Thousands of yen)

|   | As of March 31, 2022 | As of December 31, 2022 |
|---|----------------------|-------------------------|
| Liabilities   |                      |                         |
| Current liabilities                                   |                      |                         |
| Notes and accounts payable - trade                    | 5,031,797            | 6,461,917               |
| Short-term borrowings                                 | 2,911,290            | 3,213,146               |
| Lease liabilities                                     | 102,033              | 105,820                 |
| Income taxes payable                                  | 277,144              | 57,435                  |
| Accrued expenses                                      | 1,025,169            | 1,372,221               |
| Provision for bonuses                                 | 608,896              | 382,972                 |
| Other   | 1,150,914            | 1,419,717               |
| Total current liabilities                             | 11,107,243           | 13,013,228              |
| Non-current liabilities                               |                      |                         |
| Lease liabilities                                     | 169,148              | 154,998                 |
| Deferred tax liabilities                              | 113,206              | 138,667                 |
| Retirement benefit liability                          | 2,394,572            | 2,491,657               |
| Long-term accounts payable - other                    | 109,316              | 109,069                 |
| Other   | 350,368              | 362,869                 |
| Total non-current liabilities                         | 3,136,610            | 3,257,260               |
| Total liabilities                                     | 14,243,853           | 16,270,488              |
| Net assets  |                      |                         |
| Shareholders' equity                                  |                      |                         |
| Share capital   | 5,352,121            | 5,352,121               |
| Capital surplus                                       | 5,040,199            | 5,040,199               |
| Retained earnings                                     | 24,259,147           | 23,950,636              |
| Treasury shares                                       | (524,976)            | (942,469)               |
| Total shareholders' equity                            | 34,126,491           | 33,400,487              |
| Accumulated other comprehensive income                |                      |                         |
| Valuation difference on available-for-sale securities | 552,498              | 722,632                 |
| Foreign currency translation adjustment               | 1,118,815            | 3,560,701               |
| Remeasurements of defined benefit plans               | (9,370)              | (49,143)                |
| Total accumulated other comprehensive income          | 1,661,943            | 4,234,190               |
| Non-controlling interests                             | 2,731,085            | 2,995,555               |
| Total net assets                                      | 38,519,519           | 40,630,232              |
| Total liabilities and net assets                      | 52,763,372           | 56,900,720              |

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

## Consolidated statements of income (cumulative)

(Thousands of yen)

|   | Nine months ended<br>December 31, 2021 | Nine months ended<br>December 31, 2022 |
|---|--|--|
| Net sales   | 36,740,791                             | 38,709,858                             |
| Cost of sales   | 25,652,681                             | 27,944,930                             |
| Gross profit  | 11,088,110                             | 10,764,928                             |
| Selling, general and administrative expenses                  | 9,703,484                              | 10,396,068                             |
| Operating profit  | 1,384,626                              | 368,860                                |
| Non-operating income  |  |  |
| Interest income   | 22,310                                 | 48,861                                 |
| Dividend income   | 46,409                                 | 71,462                                 |
| Rental income from non-current assets                         | 53,209                                 | 49,851                                 |
| Share of profit of entities accounted for using equity method | 20,065                                 | 40,191                                 |
| Gain on sale of investment securities                         | 114,180                                | 7,379                                  |
| Other   | 104,352                                | 91,981                                 |
| Total non-operating income                                    | 360,525                                | 309,725                                |
| Non-operating expenses  |  |  |
| Interest expenses   | 33,410                                 | 48,594                                 |
| Foreign exchange losses                                       | 10,021                                 | 44,415                                 |
| Loss on retirement of non-current assets                      | 3,412                                  | 18,889                                 |
| Other   | 26,339                                 | 22,362                                 |
| Total non-operating expenses                                  | 73,182                                 | 134,260                                |
| Ordinary profit   | 1,671,969                              | 544,325                                |
| Profit before income taxes                                    | 1,671,969                              | 544,325                                |
| Income taxes - current  | 453,033                                | 285,553                                |
| Income taxes - deferred                                       | (5,099)                                | (41,860)                               |
| Total income taxes  | 447,934                                | 243,693                                |
| Profit  | 1,224,035                              | 300,632                                |
| Profit attributable to non-controlling interests              | 172,607                                | 104,195                                |
| Profit attributable to owners of parent                       | 1,051,428                              | 196,437                                |

# Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

|  | Nine months ended<br>December 31, 2021 | Nine months ended<br>December 31, 2022 |
|--|--|--|
| Profit   | 1,224,035                              | 300,632                                |
| Other comprehensive income   |  |  |
| Valuation difference on available-for-sale securities                                | 176,008                                | 169,909                                |
| Foreign currency translation adjustment  | 760,724                                | 2,744,132                              |
| Remeasurements of defined benefit plans, net of tax                                  | 139,192                                | (39,773)                               |
| Share of other comprehensive income of entities accounted<br>for using equity method | (34,266)                               | (85,173)                               |
| Total other comprehensive income   | 1,041,658                              | 2,789,095                              |
| Comprehensive income   | 2,265,693                              | 3,089,727                              |
| Comprehensive income attributable to   |  |  |
| Comprehensive income attributable to owners of parent                                | 2,037,791                              | 2,768,684                              |
| Comprehensive income attributable to non-controlling<br>interests                    | 227,902                                | 321,043                                |