

Translation

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

February 8, 2024

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 Deputy General
 Inquiries: Manager of Administrative Toyohiro Tsuchiya TEL 03-3436-1101
 Headquarters
 Scheduled date to file Quarterly Securities Report: February 8, 2024
 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, 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	39,921	3.1	979	165.3	1,328	143.9	718	265.6
Nine months ended December 31, 2022	38,710	5.4	369	(73.4)	544	(67.4)	196	(81.3)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	23.29	–
Nine months ended December 31, 2022	6.25	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	57,729	41,527	67.3
As of March 31, 2023	54,908	39,598	66.8

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, 2023	–	8.00	–	8.00	16.00
Year ending March 31, 2024	–	8.00	–		
Year ending March 31, 2024 (Forecast)				8.00	16.00

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	55,000	8.2	1,300	270.4	1,500	180.9	1,100	–	35.68

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: 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, 2023	30,850,000 shares	As of March 31, 2023	32,716,878 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	20,836 shares	As of March 31, 2023	1,887,714 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	30,829,164 shares	Nine months ended December 31, 2022	31,441,764 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	12,212,104	12,076,755
Notes receivable - trade	944,375	1,380,399
Accounts receivable - trade	8,960,375	10,329,710
Merchandise and finished goods	4,737,535	4,900,710
Work in process	94,007	178,253
Raw materials and supplies	3,606,475	3,461,643
Other	1,038,075	1,164,621
Allowance for doubtful accounts	(166,924)	(173,019)
Total current assets	31,426,022	33,319,072
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,783,855	14,604,720
Accumulated depreciation	(7,981,122)	(8,471,743)
Buildings and structures, net	5,802,733	6,132,977
Machinery, equipment and vehicles	16,273,403	17,405,436
Accumulated depreciation	(13,566,547)	(14,539,949)
Machinery, equipment and vehicles, net	2,706,856	2,865,487
Tools, furniture and fixtures	5,398,735	5,646,861
Accumulated depreciation	(4,684,511)	(4,950,905)
Tools, furniture and fixtures, net	714,224	695,956
Land	4,624,739	4,727,458
Leased assets	1,129,669	1,186,200
Accumulated depreciation	(439,556)	(467,258)
Leased assets, net	690,113	718,942
Construction in progress	751,258	736,362
Total property, plant and equipment	15,289,923	15,877,182
Intangible assets		
Software	264,404	472,963
Other	931,074	1,016,634
Total intangible assets	1,195,478	1,489,597
Investments and other assets		
Investment securities	3,566,679	3,782,048
Long-term loans receivable	184,707	132,960
Deferred tax assets	460,316	292,748
Other	2,922,865	2,974,064
Allowance for doubtful accounts	(138,323)	(138,323)
Total investments and other assets	6,996,244	7,043,497
Total non-current assets	23,481,645	24,410,276
Total assets	54,907,667	57,729,348

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,527,803	6,607,832
Short-term borrowings	3,067,154	3,076,749
Lease liabilities	165,991	206,318
Income taxes payable	91,122	82,793
Accrued expenses	1,168,364	1,392,587
Provision for bonuses	612,076	362,760
Other	1,281,919	1,044,665
Total current liabilities	11,914,429	12,773,704
Non-current liabilities		
Lease liabilities	398,364	373,852
Deferred tax liabilities	66,025	75,057
Retirement benefit liability	2,453,323	2,605,013
Long-term accounts payable - other	108,938	9,102
Other	368,303	366,015
Total non-current liabilities	3,394,953	3,429,039
Total liabilities	15,309,382	16,202,743
Net assets		
Shareholders' equity		
Share capital	5,352,121	5,352,121
Capital surplus	5,040,199	5,047,512
Retained earnings	23,764,100	23,031,879
Treasury shares	(968,361)	(10,688)
Total shareholders' equity	33,188,059	33,420,824
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	833,452	1,030,715
Foreign currency translation adjustment	2,713,802	4,575,248
Remeasurements of defined benefit plans	(75,308)	(149,897)
Total accumulated other comprehensive income	3,471,946	5,456,066
Non-controlling interests	2,938,280	2,649,715
Total net assets	39,598,285	41,526,605
Total liabilities and net assets	54,907,667	57,729,348

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	38,709,858	39,920,795
Cost of sales	27,944,930	28,265,023
Gross profit	10,764,928	11,655,772
Selling, general and administrative expenses	10,396,068	10,677,268
Operating profit	368,860	978,504
Non-operating income		
Interest income	48,861	79,739
Dividend income	71,462	90,083
Rental income from non-current assets	49,851	50,035
Share of profit of entities accounted for using equity method	40,191	37,602
Gain on sale of investment securities	7,379	214,492
Other	91,981	72,992
Total non-operating income	309,725	544,943
Non-operating expenses		
Interest expenses	48,594	97,268
Foreign exchange losses	44,415	79,452
Loss on retirement of non-current assets	18,889	5,360
Other	22,362	13,584
Total non-operating expenses	134,260	195,664
Ordinary profit	544,325	1,327,783
Profit before income taxes	544,325	1,327,783
Income taxes - current	285,553	287,439
Income taxes - deferred	(41,860)	90,171
Total income taxes	243,693	377,610
Profit	300,632	950,173
Profit attributable to non-controlling interests	104,195	232,030
Profit attributable to owners of parent	196,437	718,143

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	300,632	950,173
Other comprehensive income		
Valuation difference on available-for-sale securities	169,909	199,835
Foreign currency translation adjustment	2,744,132	2,011,134
Remeasurements of defined benefit plans, net of tax	(39,773)	(74,589)
Share of other comprehensive income of entities accounted for using equity method	(85,173)	(7,200)
Total other comprehensive income	2,789,095	2,129,180
Comprehensive income	3,089,727	3,079,353
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,768,684	2,702,263
Comprehensive income attributable to non-controlling interests	321,043	377,090