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1-February, 2024

## Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)

Company name: TOKAI RIKA CO., LTD  
 Listing: Tokyo Stock Exchange and Nagoya Stock Exchange  
 Securities code: 6995  
 URL: <http://www.tokai-rika.co.jp>  
 Representative: Hiroyoshi Ninoyu, President  
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 Scheduled date to file quarterly securities report: 1-February, 2024  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

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

#### (1) Consolidated operating results (Percentages indicate the changes of the same period of the previous year.)

	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	474,929	16.2	33,213	352.4	39,565	208.6	26,965	321.4
December 31, 2022	408,581	14.1	7,340	(34.7)	12,820	(8.4)	6,399	(23.0)

Note: Comprehensive income For the Nine Months Ended December 31, 2023 : 36,734 million [372.5%]  
 For the Nine Months Ended December 31, 2022 : 7,774 million [-48.5%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	295.24	-
December 31, 2022	70.08	-

#### (2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	489,035	325,725	62.4
March 31, 2023	456,146	296,401	60.8

Reference: Equity

As of December 31, 2023 ¥305,285 million

As of March 31, 2023 ¥277,375 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	30	-	34	64
Fiscal year ended March 31, 2024	-	36			
Fiscal year ending March 31, 2024 (Forecast)			-	32	68

Notes: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated earnings forecast for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate the changes of the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per shares
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
Full year	620,000	12.1	37,000	122.1	43,000	78.7	28,000	156.9	311.89

Notes: Revisions to the forecast of financial result most recently announced: Yes

The company resolved to acquire treasury stock in director's meeting held on November 29, 2023.

The impact of this acquisition is reflected into the forecast of basic earnings per share for the fiscal year ending March 31, 2024.

### \* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of December 31, 2023 94,234,171 shares

As of March 31, 2023 94,234,171 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2023 2,894,743 shares

As of March 31, 2023 2,911,355 shares

(iii) Average number of shares outstanding during the period

For the Nine Months Ended December 31, 2023 91,334,503 shares

For the Nine Months Ended December 31, 2022 91,314,959 shares

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

The above forward-looking statements are prepared based on judgment and assumption from information currently available to the Company. These statements do not purport that the Company pledges to realize such statements. Actual business results may differ from the forecast figures due to various factors such as uncertainties of the information, future economic conditions, stock prices and exchange rates trends

# Consolidated Balance Sheet

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries

Millions of Yen

ASSETS	As of March 31, 2023	As of December 31, 2023	Increase (Decrease)
<b>CURRENT ASSETS:</b>			
Cash and deposits	69,728	<b>84,691</b>	14,963
Notes and accounts receivable	83,904	<b>80,699</b>	(3,205)
Electronically recorded monetary claims-operating	12,930	<b>16,959</b>	4,029
Marketable securities	299	<b>2,699</b>	2,400
Finished goods	26,120	<b>25,075</b>	(1,045)
Work-in-process	36,436	<b>39,452</b>	3,016
Raw materials and supplies	9,242	<b>9,552</b>	310
Other current assets	12,978	<b>13,554</b>	576
Less: Allowance for doubtful accounts	(46)	<b>(77)</b>	(31)
<b>Total current assets</b>	<b>251,595</b>	<b>272,607</b>	<b>21,012</b>
<b>NON-CURRENT ASSETS:</b>			
<b>Tangible non-current assets</b>			
Buildings and structures	35,222	<b>37,478</b>	2,256
Machinery and vehicle	31,388	<b>30,331</b>	(1,057)
Others	38,221	<b>42,227</b>	4,006
<b>Total tangible non-current assets</b>	<b>104,833</b>	<b>110,037</b>	<b>5,204</b>
<b>Intangible non-current assets</b>			
Others	3,567	<b>3,909</b>	342
<b>Total intangible non-current assets</b>	<b>3,567</b>	<b>3,909</b>	<b>342</b>
<b>Investments and other assets:</b>			
Investments securities	51,749	<b>56,192</b>	4,443
Others	44,507	<b>46,393</b>	1,886
Less: Allowance for doubtful accounts	(106)	<b>(104)</b>	2
<b>Total investments and other assets</b>	<b>96,150</b>	<b>102,481</b>	<b>6,331</b>
<b>Total noncurrent assets</b>	<b>204,550</b>	<b>216,427</b>	<b>11,877</b>
<b>TOTAL</b>	<b>456,146</b>	<b>489,035</b>	<b>32,889</b>

Millions of Yen

<b>LIABILITIES AND EQUITY</b>	As of March 31, 2023	As of December 31, 2023	Increase (Decrease)
<b>CURRENT LIABILITIES:</b>			
Notes and accounts payable	53,374	55,967	2,593
Electronically recorded obligations-operating	10,815	12,143	1,328
Income taxes payable	3,296	3,455	159
Provision for bonuses to employees	8,811	6,603	(2,208)
Provision for product warranty	2,511	4,051	1,540
Other provisions	177	322	145
Others	39,637	38,708	(929)
<b>Total current liabilities</b>	<b>118,624</b>	<b>121,253</b>	<b>2,629</b>
<b>NONCURRENT LIABILITIES:</b>			
Bonds payable	10,000	10,000	-
Provision for retirement benefits for directors (and other officers)	300	241	(59)
Defined benefit liability	22,496	22,499	3
Long-term asset retirement obligations	72	72	0
Others	8,251	9,243	992
<b>Total noncurrent liabilities</b>	<b>41,120</b>	<b>42,056</b>	<b>936</b>
<b>Total liabilities</b>	<b>159,744</b>	<b>163,310</b>	<b>3,566</b>
<b>SHAREHOLDERS' EQUITY:</b>			
Common stock	22,856	22,856	-
Capital surplus	25,613	25,640	(0)
Retained earnings	201,936	222,508	20,572
Treasury common stock, at cost	(5,238)	(5,208)	30
<b>Total shareholders' equity</b>	<b>245,167</b>	<b>265,796</b>	<b>20,629</b>
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>			
Net unrealized gain on available-for-sale securities	7,700	9,834	2,134
Foreign currency translation adjustments	14,468	20,286	5,818
Remeasurements of defined benefit plans	10,038	9,367	(671)
<b>Total accumulated other comprehensive income</b>	<b>32,208</b>	<b>39,488</b>	<b>7,280</b>
<b>NON-CONTROLLING INTERESTS</b>			
<b>Total equity</b>	<b>296,401</b>	<b>325,725</b>	<b>29,324</b>
<b>TOTAL</b>	<b>456,146</b>	<b>489,035</b>	<b>32,889</b>

## Consolidated Statement of Income

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries

(Consolidated Statement of Income)

Millions of Yen

	Nine months Ended December 31, 2022	Nine months Ended December 31, 2023	Increase (Decrease)
<b>NET SALES</b>	408,581	<b>474,929</b>	66,348
<b>COST OF SALES</b>	365,598	<b>403,350</b>	37,752
<b>Gross profit</b>	42,982	<b>71,578</b>	28,596
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	35,641	<b>38,365</b>	2,724
<b>Operating income</b>	7,340	<b>33,213</b>	25,873
<b>NON-OPERATING INCOME</b>			
Interest income	373	<b>884</b>	511
Dividend income	521	<b>584</b>	63
Share of profit of entities accounted for using equity method	352	<b>717</b>	365
Foreign exchange gain	3,142	<b>3,812</b>	670
Other	1,167	<b>566</b>	(601)
<b>Total non-operating income</b>	5,557	<b>6,565</b>	1,008
<b>NON-OPERATING EXPENSES</b>			
Interest expenses	46	<b>32</b>	(14)
Intangible non-current assets using equity method	-	-	-
Foreign exchange loss	-	-	-
Loss on disaster	-	-	-
Bond issuance cost	-	-	-
Custom duties for prior periods	-	-	-
Acquisition cost for treasury stock	-	<b>96</b>	96
Other	31	<b>84</b>	53
<b>Total non-operating expenses</b>	77	<b>213</b>	136
<b>Ordinary income</b>	12,820	<b>39,565</b>	26,745
<b>EXTRAORDINARY LOSS</b>			
Loss on sales and retirement of non-current assets	25	<b>192</b>	167
<b>Total extraordinary loss</b>	25	<b>192</b>	167
<b>INCOME BEFORE INCOME TAXES</b>	12,794	<b>39,373</b>	26,579
<b>INCOME TAXES</b>	5,277	<b>10,431</b>	5,154
<b>PROFIT</b>	7,517	<b>28,942</b>	21,425
<b>PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS</b>	1,117	<b>1,976</b>	859
<b>PROFIT ATTRIBUTABLE TO OWNERS OF PARENT</b>	6,399	<b>26,965</b>	20,566

## Consolidated Statement of Comprehensive Income

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries

(Consolidated Statement of Comprehensive Income)	Millions of Yen		
	Nine months Ended December 31, 2022	Nine months Ended December 31, 2023	Increase (Decrease)
PROFIT	7,517	28,942	21,425
<b>OTHER COMPREHENSIVE INCOME</b>			
Net unrealized gain on available-for-sale securities	(2,455)	2,242	4,697
Foreign currency translation adjustments	3,278	6,136	2,858
Remeasurements of defined benefit plans	(533)	(672)	(139)
Share of other comprehensive income of entities accounted for using equity method	(32)	86	118
<b>Total other comprehensive income</b>	256	7,792	7,536
<b>COMPREHENSIVE INCOME</b>	7,774	36,734	28,960
(Breakdown)			
Comprehensive income attributable to owners of parent	6,789	34,246	27,457
Comprehensive income attributable to non-controlling interests	984	2,488	1,504