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30-July, 2024

Consolidated Financial Results for the Three Months Ended June 30, 2024 (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 commence dividend payments: -
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2024(from April 1, 2024 to June 30, 2024)

(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, 2024	151,966	2.2	7,123	(18.9)	9,134	(36.3)	7,578	(26.8)
June 30, 2023	148,652	19.1	8,783	-	14,339	247.8	10,345	265.4

Note: Comprehensive income For the Three Months Ended June 30, 2024 : 9,688 million [-57.8%]
For the Three Months Ended June 30, 2023 : 22,932 million [157.3%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2024	89.59	-
June 30, 2023	113.28	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2024	528,027	345,797	61.2
March 31, 2024	519,718	339,488	61.2

Reference: Equity

As of June 30, 2024 ¥323,369 million

As of March 31, 2024 ¥317,867 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, 2024	-	36.00	-	39.00	75.00
Fiscal year ended March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		35.00	-	35.00	70.00

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

3. Consolidated earnings forecast for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(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	580,000	(7.0)	23,000	(20.2)	25,000	(36.9)	20,000	(19.5)	236.46

Notes: Revisions to the forecast of financial result most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: 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: Yes

(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 June 30, 2024 94,234,171 shares

As of March 31, 2024 94,234,171 shares

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

As of June 30, 2024 9,636,297 shares

As of March 31, 2024 9,654,293 shares

(iii) Average number of shares outstanding during the period

For the Three Months Ended June 30, 2024 84,584,264 shares

For the Three Months Ended June 30, 2023 91,326,985 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* 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 30, 2024	As of June 30, 2024	Increase (Decrease)
CURRENT ASSETS:			
Cash and deposits	73,779	87,572	13,793
Notes and accounts receivable	82,403	81,187	(1,216)
Electronically recorded monetary claims-operating	13,022	11,681	(1,341)
Marketable securities	4,743	4,394	(349)
Finished goods	25,934	26,020	86
Work-in-process	40,744	42,874	2,130
Raw materials and supplies	9,617	9,630	13
Other current assets	13,812	14,700	888
Less: Allowance for doubtful accounts	(55)	(28)	27
Total current assets	264,002	278,033	14,031
NON-CURRENT ASSETS:			
Tangible non-current assets			
Buildings and structures	39,741	42,171	2,430
Machinery and vehicle	32,408	33,690	1,282
Others	46,158	43,617	(2,541)
Total tangible non-current assets	118,308	119,479	1,171
Intangible non-current assets			
Others	3,687	3,814	127
Total intangible non-current assets	3,687	3,814	127
Investments and other assets:			
Investments securities	60,288	52,782	(7,506)
Net defined benefit asset	59,588	60,101	513
Others	13,922	13,897	(25)
Less: Allowance for doubtful accounts	(80)	(81)	(1)
Total investments and other assets	133,719	126,700	(7,019)
Total noncurrent assets	255,715	249,993	(5,722)
TOTAL	519,718	528,027	8,309

Millions of Yen

LIABILITIES AND EQUITY	As of March 30, 2024	As of June 30, 2024	Increase (Decrease)
CURRENT LIABILITIES:			
Notes and accounts payable	51,042	51,910	868
Electronically recorded obligations-operating	11,099	10,173	(926)
Income taxes payable	3,342	3,236	(106)
Provision for bonuses to employees	10,932	6,057	(4,875)
Provision for product warranty	14,294	12,938	(1,356)
Other provisions	177	56	(121)
Others	40,973	50,430	9,457
Total current liabilities	131,862	134,804	2,942
NONCURRENT LIABILITIES:			
Bonds payable	10,000	10,000	-
Provision for retirement benefits for directors (and other officers)	252	213	(39)
Provision for Environment(fixed)	990	990	0
Defined benefit liability	17,467	17,630	163
Long-term asset retirement obligations	72	72	-
Others	144	142	(2)
Total noncurrent liabilities	48,367	47,425	(942)
Total liabilities	180,229	182,229	2,000
SHAREHOLDERS' EQUITY:			
Common stock	22,856	22,856	-
Capital surplus	25,640	25,641	1
Retained earnings	220,393	224,672	4,279
Treasury common stock, at cost	(19,964)	(19,926)	38
Total shareholders' equity	248,925	253,244	4,319
ACCUMULATED OTHER COMPREHENSIVE INCOME			
Net unrealized gain on available-for-sale securities	14,633	10,422	(4,211)
Foreign currency translation adjustments	25,871	31,921	6,050
Remeasurements of defined benefit plans	28,437	27,780	(657)
Total accumulated other comprehensive income	68,941	70,124	1,183
NON-CONTROLLING INTERESTS			
Total equity	339,488	345,797	6,309
TOTAL	519,718	528,027	8,309

Consolidated Statement of Income

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries

(Consolidated Statement of Income)

Millions of Yen

	Three months Ended June 30, 2023	Three months Ended June 30, 2024	Increase (Decrease)
NET SALES	148,652	151,966	3,314
COST OF SALES	128,896	132,043	3,147
Gross profit	19,756	19,922	166
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	10,973	12,799	1,826
Operating income	8,783	7,123	(1,660)
NON-OPERATING INCOME			
Interest income	276	315	39
Dividend income	282	313	31
Share of profit of entities accounted for using equity method	255	148	(107)
Foreign exchange gain	4,608	992	(3,616)
Other	153	271	118
Total non-operating income	5,577	2,041	(3,536)
NON-OPERATING EXPENSES			
Interest expenses	12	11	(1)
Other	8	19	11
Total non-operating expenses	20	30	10
Ordinary income	14,339	9,134	(5,205)
EXTRAORDINARY INCOME			
Gain on sales of investment securities	-	2,269	2,269
Total extraordinary income	-	2,269	2,269
EXTRAORDINARY LOSS			
Loss on sales and retirement of non-current assets	192	-	(192)
Total extraordinary loss	192	-	(192)
INCOME BEFORE INCOME TAXES	14,147	11,403	(2,744)
INCOME TAXES	3,189	3,442	253
PROFIT	10,957	7,961	(2,996)
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	611	383	(228)
PROFIT ATTRIBUTABLE TO OWNERS OF PARENT	10,345	7,578	(2,767)

Consolidated Statement of Comprehensive Income

TOKAI RIKA Co., Ltd. and Consolidated Subsidiaries

(Consolidated Statement of Comprehensive Income)	Millions of Yen		
	Three months Ended June 30, 2023	Three months Ended June 30, 2024	Increase (Decrease)
PROFIT	10,957	7,961	(2,996)
OTHER COMPREHENSIVE INCOME			
Net unrealized gain on available-for-sale securities	3,901	(4,241)	(8,142)
Foreign currency translation adjustments	8,118	6,459	(1,659)
Remeasurements of defined benefit plans	(218)	(657)	(439)
Share of other comprehensive income of entities accounted for using equity method	173	166	(7)
Total other comprehensive income	11,975	1,727	(10,248)
COMPREHENSIVE INCOME	22,932	9,688	(13,244)
(Breakdown)			
Comprehensive income attributable to owners of parent	21,726	8,761	(12,965)
Comprehensive income attributable to non-controlling interests	1,206	927	(279)