

Translation

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

February 8, 2023

Company name: KYODEN COMPANY,LIMITED
 Stock exchange listing: Tokyo
 Stock code: 6881 URL <https://www.kyoden.co.jp>
 Representative: Representative Director and President Hiroshi Naganuma
 General Manager, Finance and Accounting Department Toshiaki Ichihara TEL 03-5747-9622
 Inquiries: Department
 Scheduled date to file Quarterly Securities Report: February 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 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		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2022	49,803	18.8	5,565	1.2	3,397	(15.2)	3,498	(14.0)	2,484	(13.3)
Nine months ended December 31, 2021	41,937	25.1	5,497	88.1	4,006	171.0	4,065	155.8	2,867	154.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	50.00		–	
Nine months ended December 31, 2021	57.70		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	65,324	26,218	40.0
As of March 31, 2022	53,412	23,978	44.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	0.00	–	17.00	17.00
Year ending March 31, 2023	–	0.00	–		
Year ending March 31, 2023 (Forecast)				20.00	20.00

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	65,000	13.3	5,800	13.8	5,700	11.6	4,100	9.5	82.52

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	52,279,051 shares	As of March 31, 2022	52,279,051 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	2,592,955 shares	As of March 31, 2022	2,592,895 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, 2022	49,686,137 shares	Nine months ended December 31, 2021	49,686,190 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	6,578	7,369
Notes and accounts receivable - trade, and contract assets	15,139	17,213
Electronically recorded monetary claims - operating	3,038	3,842
Merchandise and finished goods	2,860	4,122
Work in process	3,293	3,994
Raw materials and supplies	4,226	5,397
Other	739	772
Allowance for doubtful accounts	(136)	(143)
Total current assets	35,738	42,568
Non-current assets		
Property, plant and equipment		
Land	3,580	4,144
Other, net	11,821	16,489
Total property, plant and equipment	15,401	20,633
Intangible assets	255	281
Investments and other assets		
Other	2,171	1,998
Allowance for doubtful accounts	(155)	(157)
Total investments and other assets	2,016	1,840
Total non-current assets	17,673	22,755
Total assets	53,412	65,324

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,279	8,890
Electronically recorded obligations - operating	1,658	1,795
Short-term borrowings	5,700	12,950
Current portion of bonds payable	180	120
Current portion of long-term borrowings	2,345	1,861
Income taxes payable	769	140
Provision for bonuses	444	365
Other	3,252	3,706
Total current liabilities	22,627	29,830
Non-current liabilities		
Bonds payable	60	–
Long-term borrowings	3,066	5,678
Provision for retirement benefits for directors (and other officers)	8	6
Retirement benefit liability	2,787	2,890
Other	883	699
Total non-current liabilities	6,806	9,275
Total liabilities	29,433	39,106
Net assets		
Shareholders' equity		
Share capital	4,358	4,358
Capital surplus	4,174	4,174
Retained earnings	16,634	18,273
Treasury shares	(491)	(491)
Total shareholders' equity	24,675	26,314
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	76	39
Foreign currency translation adjustment	(885)	(255)
Remeasurements of defined benefit plans	10	1
Total accumulated other comprehensive income	(799)	(214)
Non-controlling interests	103	118
Total net assets	23,978	26,218
Total liabilities and net assets	53,412	65,324

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	41,937	49,803
Cost of sales	33,367	41,486
Gross profit	8,569	8,316
Selling, general and administrative expenses	4,563	4,919
Operating profit	4,006	3,397
Non-operating income		
Interest income	0	0
Dividend income	3	31
Rental income	9	11
Foreign exchange gains	42	50
Subsidy income	71	–
Other	125	145
Total non-operating income	253	238
Non-operating expenses		
Interest expenses	49	57
Loss on retirement of non-current assets	65	–
Loss on abandonment of non-current assets	35	–
Other	43	80
Total non-operating expenses	193	137
Ordinary profit	4,065	3,498
Profit before income taxes	4,065	3,498
Income taxes - current	1,045	834
Income taxes - deferred	141	159
Total income taxes	1,186	994
Profit	2,879	2,504
Profit attributable to non-controlling interests	12	20
Profit attributable to owners of parent	2,867	2,484

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	2,879	2,504
Other comprehensive income		
Valuation difference on available-for-sale securities	(43)	(36)
Foreign currency translation adjustment	(97)	630
Remeasurements of defined benefit plans, net of tax	7	(9)
Total other comprehensive income	(133)	584
Comprehensive income	2,745	3,088
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,733	3,068
Comprehensive income attributable to non-controlling interests	12	20