

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 9, 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
 Inquiries: Toshiaki Ichihara TEL 0265-79-0012
 Department
 Scheduled date to file Quarterly Securities Report: August 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 less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(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	%
Three months ended June 30, 2023	16,131	3.1	1,925	0.4	1,068	(15.0)	1,080	(17.7)	709	(19.0)
Three months ended June 30, 2022	15,641	16.3	1,916	8.2	1,256	(3.2)	1,312	(3.3)	875	(8.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	14.27		–	
Three months ended June 30, 2022	17.62		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	69,427	26,497	38.0
As of March 31, 2023	68,061	26,596	38.9

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, 2023	–	0.00	–	20.00	20.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		0.00	–	0.00	0.00

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	72,000	7.9	4,300	1.7	4,200	4.0	2,900	(0.0)	58.37

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 2023	52,279,051 shares	As of March 31, 2023	52,279,051 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	2,592,955 shares	As of March 31, 2023	2,592,955 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	49,686,096 shares	Three months ended June 30, 2022	49,686,156 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	7,895	7,645
Notes and accounts receivable - trade, and contract assets	17,059	16,008
Electronically recorded monetary claims - operating	3,539	3,536
Merchandise and finished goods	4,158	4,611
Work in process	3,881	4,285
Raw materials and supplies	5,342	5,727
Other	1,001	1,002
Allowance for doubtful accounts	(143)	(153)
Total current assets	42,734	42,663
Non-current assets		
Property, plant and equipment		
Land	4,143	4,158
Other, net	18,818	20,419
Total property, plant and equipment	22,962	24,577
Intangible assets	264	293
Investments and other assets		
Other	2,260	2,060
Allowance for doubtful accounts	(160)	(167)
Total investments and other assets	2,099	1,893
Total non-current assets	25,326	26,763
Total assets	68,061	69,427

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,371	8,600
Electronically recorded obligations - operating	1,651	1,867
Short-term borrowings	12,700	14,588
Current portion of bonds payable	60	60
Current portion of long-term borrowings	1,850	1,943
Income taxes payable	566	186
Provision for bonuses	610	168
Other	4,975	5,161
Total current liabilities	30,784	32,576
Non-current liabilities		
Long-term borrowings	7,215	6,953
Provision for retirement benefits for directors (and other officers)	6	6
Retirement benefit liability	2,885	2,873
Other	572	519
Total non-current liabilities	10,679	10,352
Total liabilities	41,464	42,929
Net assets		
Shareholders' equity		
Share capital	4,358	4,358
Capital surplus	4,174	4,174
Retained earnings	18,689	18,405
Treasury shares	(491)	(491)
Total shareholders' equity	26,730	26,446
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	48	59
Foreign currency translation adjustment	(308)	(144)
Remeasurements of defined benefit plans	1	13
Total accumulated other comprehensive income	(259)	(71)
Non-controlling interests	124	122
Total net assets	26,596	26,497
Total liabilities and net assets	68,061	69,427

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	15,641	16,131
Cost of sales	12,789	13,483
Gross profit	2,852	2,648
Selling, general and administrative expenses	1,596	1,579
Operating profit	1,256	1,068
Non-operating income		
Interest income	0	0
Dividend income	0	0
Rental income	3	3
Foreign exchange gains	32	20
Subsidy income	–	39
Other	50	35
Total non-operating income	87	99
Non-operating expenses		
Interest expenses	16	22
Loss on retirement of non-current assets	0	21
Other	14	43
Total non-operating expenses	31	87
Ordinary profit	1,312	1,080
Profit before income taxes	1,312	1,080
Income taxes - current	239	147
Income taxes - deferred	191	217
Total income taxes	431	364
Profit	880	715
Profit attributable to non-controlling interests	5	6
Profit attributable to owners of parent	875	709

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	880	715
Other comprehensive income		
Valuation difference on available-for-sale securities	(20)	11
Foreign currency translation adjustment	371	164
Remeasurements of defined benefit plans, net of tax	10	11
Total other comprehensive income	361	187
Comprehensive income	1,242	903
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,237	897
Comprehensive income attributable to non-controlling interests	5	6