

# Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023

## [Japanese Standards] (Consolidated)

August 4, 2023

Company name: OKAMOTO INDUSTRIES, INC.  
 Stock exchange listing: Tokyo  
 Stock code: 5122 URL <https://www.okamoto-inc.jp/>  
 Representative: Kunihiko Okamoto, President  
 Inquiries: Hiroshi Takashima, Executive Director (Accounting Dept.)  
 Scheduled date to file Securities Report: August 9, 2023  
 Scheduled date to commence dividend payments: –  
 Supplemental material on quarterly results: No  
 Presentation on quarterly results: 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)

(% represents changes over the same period in the previous fiscal year.)

|                                  | Net sales       |      | Operating income |        | Ordinary income |        | Profit attributable to owners of parent |        |
|----------------------------------|-----------------|------|------------------|--------|-----------------|--------|---|--------|
|                                  | Millions of yen | %    | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | %      |
| Three months ended June 30, 2023 | 25,208          | 12.1 | 2,294            | 26.5   | 3,274           | 27.7   | 2,740                                   | 68.5   |
| Three months ended June 30, 2022 | 22,496          | 1.7  | 1,812            | △ 28.4 | 2,563           | △ 13.8 | 1,626                                   | △ 11.2 |

(Note) Comprehensive income: Three months ended June 30, 2023 : 6,160 million yen 188.4 %  
 Three months ended June 30, 2022 : 2,136 million yen △ 22.7 %

|                                  | Net income per share | Diluted net income per share |
|----------------------------------|----------------------|------------------------------|
|                                  | yen                  | yen                          |
| Three months ended June 30, 2023 | 155.67               | –                            |
| Three months ended June 30, 2022 | 89.13                | –                            |

#### (2) Consolidated financial position

|                      | Total assets    | Net assets      | Equity ratio |
|----------------------|-----------------|-----------------|--------------|
|                      | Millions of yen | Millions of yen | %            |
| As of June 30, 2023  | 132,305         | 84,196          | 61.3         |
| As of March 31, 2023 | 127,176         | 79,099          | 59.8         |

(Reference) Own capital: As of June 30, 2023 : 81,118 million yen  
 As of March 31, 2023 : 75,995 million yen

### 2.Dividends

|                                    | Cash dividends per share |                       |                      |          |        |
|------------------------------------|--------------------------|-----------------------|----------------------|----------|--------|
|                                    | End of first quarter     | End of second quarter | End of third quarter | Year-end | Total  |
|                                    | yen                      | yen                   | yen                  | yen      | yen    |
| FY Ended March 31, 2023            | –                        | 55.00                 | –                    | 55.00    | 110.00 |
| FY Ended March 31, 2024            | –                        |                       |                      |          |        |
| FY Ended March 31, 2024 (forecast) |                          | 55.00                 | –                    | 55.00    | 110.00 |

(Note) Revision of the latest dividend forecast announced: No

### 3.Forecasts of consolidated financial results for the year ending March 31, 2024

(from April 1, 2023 to March 31, 2024)

(% represents changes over the previous fiscal year.)

|                                     | Net sales       |     | Operating income |      | Ordinary income |      | Profit attributable to owners of parent |      | Net income per share |
|-------------------------------------|-----------------|-----|------------------|------|-----------------|------|---|------|----------------------|
|                                     | Millions of yen | %   | Millions of yen  | %    | Millions of yen | %    | Millions of yen                         | %    | yen                  |
| Six months ended September 30, 2023 | 50,300          | 8.4 | 4,000            | 28.9 | 4,600           | 15.7 | 3,350                                   | 33.1 | 190.30               |
| Full year                           | 101,500         | 2.4 | 7,950            | 15.2 | 9,100           | 14.9 | 6,100                                   | 24.7 | 346.51               |

(Note) Revision of the latest consolidated results forecast announced: Yes

\*Notes

(1) Changes in status of significant subsidiaries during the three months ended June 30, 2023  
 (changes in status of specified subsidiaries accompanying changes in consolidated) No  
 Newly consolidated subsidiaries: – Subsidiaries excluded: –

(2) Application of accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting principles, changes in accounting estimates, and retrospective restatements

① Changes in accounting principles due to revisions to accounting standards: No

② Changes other than ①: No

③ Changes in accounting estimates: No

④ Retrospective restatements: No

(4) Number of outstanding shares(common stock)

① Number of outstanding shares at period-end(including treasury stock)

② Number of treasury stocks at period-end

③ Average number of shares during the period(cumulative total for quarterly period)

|   |                                  |            |                                  |            |
|---|----------------------------------|------------|----------------------------------|------------|
| ① | Three months ended June 30, 2023 | 18,099,367 | FY Ended March 31, 2023          | 18,599,367 |
| ② | Three months ended June 30, 2023 | 503,836    | FY Ended March 31, 2023          | 992,372    |
| ③ | Three months ended June 30, 2023 | 17,604,090 | Three months ended June 30, 2022 | 18,246,403 |

\*The current quarterly financial results are not subject to quarterly review procedures by certified public accountant or by auditing firm.

\*Explanation relating to the appropriate use of forecasts of business results and other items of note.

The forecasts included in this document are based on the currenty available information and certain assumptions that we believe reasonable.

Actual results, etc. may differ from projections due to a variety of reasons.

Consolidated Quarterly Financial Statements and Notes  
Consolidated Quarterly Balance Sheets

|   | (millions of yen)    |                     |
|---|----------------------|---------------------|
|   | As of March 31, 2023 | As of June 30, 2023 |
| Assets  |                      |                     |
| Current assets                                    |                      |                     |
| Cash and deposits                                 | 34,221               | 33,563              |
| Notes receivable-trade                            | 2,097                | 2,143               |
| Accounts receivable-trade                         | 17,444               | 17,556              |
| Electronically recorded monetary claims-operating | 7,802                | 7,819               |
| Merchandise and finished goods                    | 8,564                | 9,124               |
| Work in process                                   | 2,570                | 2,504               |
| Raw materials and supplies                        | 3,825                | 3,883               |
| Other   | 1,878                | 1,412               |
| Allowance for doubtful accounts                   | △ 41                 | △ 40                |
| Total current assets                              | 78,364               | 77,967              |
| Non-current assets                                |                      |                     |
| Property, plant and equipment                     | 20,997               | 21,793              |
| Intangible assets                                 | 1,066                | 1,299               |
| Investments and other assets                      |                      |                     |
| Long-term time deposits                           | 1,300                | 1,300               |
| Investment securities                             | 23,930               | 28,463              |
| Deferred tax assets                               | 930                  | 929                 |
| Net defined benefit asset                         | 156                  | 144                 |
| Other   | 435                  | 413                 |
| Allowance for doubtful accounts                   | △ 5                  | △ 5                 |
| Total investments and other assets                | 26,747               | 31,245              |
| Total non-current assets                          | 48,812               | 54,337              |
| Total assets                                      | 127,176              | 132,305             |

(millions of yen)

|   | As of March 31, 2023 | As of June 30, 2023 |
|---|----------------------|---------------------|
| Liabilities   |                      |                     |
| Current liabilities                                   |                      |                     |
| Notes and accounts payable—trade                      | 23,578               | 22,385              |
| Electronically recorded obligations—operating         | 2,088                | 1,994               |
| Short-term loans payable                              | 3,318                | 3,432               |
| Income taxes payable                                  | 1,081                | 368                 |
| Provision for bonuses                                 | 1,037                | 580                 |
| Provision for product warranties                      | 72                   | 67                  |
| Other   | 5,153                | 6,133               |
| Total current liabilities                             | 36,330               | 34,962              |
| Non-current liabilities                               |                      |                     |
| Long-term loans payable                               | 100                  | 100                 |
| Deferred tax liabilities                              | 3,666                | 5,100               |
| Net defined benefit liability                         | 7,209                | 7,212               |
| Other   | 769                  | 734                 |
| Total non-current liabilities                         | 11,745               | 13,146              |
| Total liabilities                                     | 48,076               | 48,109              |
| Net assets  |                      |                     |
| Shareholders' equity                                  |                      |                     |
| Capital stock   | 13,047               | 13,047              |
| Capital surplus                                       | 555                  | 555                 |
| Retained earnings                                     | 52,115               | 51,934              |
| Treasury stock  | △ 4,078              | △ 2,166             |
| Total shareholders' equity                            | 61,639               | 63,370              |
| Accumulated other comprehensive income                |                      |                     |
| Valuation difference on available-for-sale securities | 11,774               | 14,918              |
| Deferred gains or losses on hedges                    | △ 1                  | 0                   |
| Foreign currency translation adjustment               | 2,526                | 2,773               |
| Remeasurements of defined benefit plans               | 54                   | 55                  |
| Total accumulated other comprehensive income          | 14,355               | 17,747              |
| Non-controlling interests                             | 3,104                | 3,077               |
| Total net assets                                      | 79,099               | 84,196              |
| Total liabilities and net assets                      | 127,176              | 132,305             |

Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income

Consolidated Quarterly Statements of Income

Three months ended June 30, 2023

(Millions of yen)

|   | Three months ended<br>June 30, 2022 | Three months ended<br>June 30, 2023 |
|---|-------------------------------------|-------------------------------------|
| Net sales   | 22,496                              | 25,208                              |
| Cost of sales   | 17,242                              | 19,470                              |
| Gross profit  | 5,253                               | 5,737                               |
| Selling, general and administrative expenses                  |                                     |                                     |
| Freightage and packing expenses                               | 882                                 | 801                                 |
| Other selling expenses  | 552                                 | 664                                 |
| Salaries and bonuses  | 871                                 | 821                                 |
| Provision for bonuses   | 184                                 | 181                                 |
| Retirement benefit expenses                                   | 43                                  | 35                                  |
| Other general and administrative expenses                     | 906                                 | 939                                 |
| Total selling, general and administrative expenses            | 3,440                               | 3,443                               |
| Operating profit  | 1,812                               | 2,294                               |
| Non-operating income  |                                     |                                     |
| Interest income   | 9                                   | 12                                  |
| Dividends income  | 397                                 | 440                                 |
| Real estate rent  | 136                                 | 134                                 |
| Foreign exchange gains  | 325                                 | 393                                 |
| Equity in earnings of affiliates                              | –                                   | 19                                  |
| Other income  | 40                                  | 32                                  |
| Total non-operating income                                    | 909                                 | 1,033                               |
| Non-operating expenses  |                                     |                                     |
| Interest expenses   | 10                                  | 8                                   |
| Equity in losses of affiliates                                | 82                                  | –                                   |
| Rent expenses on real estates                                 | 28                                  | 26                                  |
| Other expenses  | 36                                  | 18                                  |
| Total non-operating expenses                                  | 159                                 | 53                                  |
| Ordinary income   | 2,563                               | 3,274                               |
| Extraordinary income  |                                     |                                     |
| Foreign currency translation adjustment account reversal gain | 19                                  | –                                   |
| Total extraordinary gain                                      | 19                                  | –                                   |
| Extraordinary loss  |                                     |                                     |
| Loss on retirement of noncurrent assets                       | 0                                   | 0                                   |
| Impairment loss   | 191                                 | 47                                  |
| Loss on liquidation of subsidiaries                           | 2                                   | –                                   |
| Other loss  | –                                   | 1                                   |
| Total extraordinary loss                                      | 194                                 | 48                                  |
| Profit before income taxes                                    | 2,387                               | 3,225                               |
| Income taxes–current  | 501                                 | 382                                 |
| Income taxes–deferred   | 257                                 | 68                                  |
| Total income taxes  | 759                                 | 451                                 |
| Net income  | 1,628                               | 2,774                               |
| Profit attributable to non-controlling interests              | 2                                   | 34                                  |
| Profit attributable to owners of parent                       | 1,626                               | 2,740                               |

**Consolidated Quarterly Statements of Comprehensive Income**  
**Three months ended June 30, 2023**

(Millions of yen)

|   | Three months ended<br>June 30, 2022 | Three months ended<br>June 30, 2023 |
|---|-------------------------------------|-------------------------------------|
| Net income  | 1,628                               | 2,774                               |
| Other comprehensive income  |                                     |                                     |
| Valuation difference on available-for-sale securities                               | △ 453                               | 3,123                               |
| Deferred gains or losses on hedges  | △ 18                                | 2                                   |
| Foreign currency translation adjustment   | 980                                 | 248                                 |
| Remeasurements of defined benefit plans, net of tax                                 | 1                                   | 0                                   |
| Share of other comprehensive income of associates accounted for using equity method | △ 2                                 | 10                                  |
| Total accumulated other comprehensive income  | 507                                 | 3,385                               |
| Comprehensive income  | 2,136                               | 6,160                               |
| (comprehensive income attributable to)  |                                     |                                     |
| Comprehensive income attributable to owners of the parent                           | 2,129                               | 6,132                               |
| Comprehensive income attributable to non-controlling interests                      | 6                                   | 27                                  |

**Information about net sales,profit or loss,assets,liabilities and other items by reportable segment**

Three months ended June 30, 2022

(Millions of yen)

|                                 | Reportable segment  |                    |        | (*)Other | Total  | (**)Adjustment | (***)Amount recorded on the consolidated quarterly statements |
|---------------------------------|---------------------|--------------------|--------|----------|--------|----------------|---|
|                                 | Industrial Products | Household Products | Total  |          |        |                |   |
| Net sales                       |                     |                    |        |          |        |                |   |
| Sales to external customers     | 14,668              | 7,775              | 22,444 | 52       | 22,496 | –              | 22,496  |
| Intersegment sales or transfers | 22                  | 146                | 168    | 830      | 999    | △ 999          | –   |
| Total                           | 14,691              | 7,921              | 22,612 | 882      | 23,495 | △ 999          | 22,496  |
| Segment profit (loss)           | 295                 | 1,965              | 2,261  | 84       | 2,346  | △ 533          | 1,812   |

\* The Other category is the business segment that is not included in the reportable segments, and include the group logistics business and solar power business.

\*\* Adjustment is as follows:

(1) The adjustment to segment profit represents positive 10 million yen in intersegment eliminations and negative 543 million in the general corporate expenses. The general corporate expenses mainly include general and administrative expenses that are not attributable to the reportable segments.

\*\*\* Segment profit is coordinated with the operating income in the consolidated statements.

※ In the Industrial Products business and the Household Products business segment, impairment loss on fixed assets was recorded at 191 million yen. The impairment loss was recorded at 160 million yen in the Industrial Products business and 31 million yen in the Household Products business for the first quarter of the fiscal year ended March 31, 2023.

Three months ended June 30, 2023

(Millions of yen)

|                                 | Reportable segment  |                    |        | (*)Other | Total  | (**)Adjustment | (***)Amount recorded on the consolidated quarterly statements |
|---------------------------------|---------------------|--------------------|--------|----------|--------|----------------|---|
|                                 | Industrial Products | Household Products | Total  |          |        |                |   |
| Net sales                       |                     |                    |        |          |        |                |   |
| Sales to external customers     | 16,746              | 8,391              | 25,137 | 70       | 25,208 | –              | 25,208  |
| Intersegment sales or transfers | 33                  | 153                | 187    | 777      | 964    | △ 964          | –   |
| Total                           | 16,779              | 8,545              | 25,324 | 848      | 26,172 | △ 964          | 25,208  |
| Segment profit (loss)           | 496                 | 2,262              | 2,759  | 95       | 2,854  | △ 560          | 2,294   |

\* The Other category is the business segment that is not included in the reportable segments, and include the group logistics business and solar power business.

\*\* Adjustment is as follows:

(1) The adjustment to segment profit represents positive 10 million yen in intersegment eliminations and negative 571 million in the general corporate expenses. The general corporate expenses mainly include general and administrative expenses that are not attributable to the reportable segments.

\*\*\* Segment profit is coordinated with the operating income in the consolidated statements.

※ In the Industrial Products business and the Household Products business segment, impairment loss on fixed assets was recorded at 47 million yen. The impairment loss was recorded at 33 million yen in the Industrial Products business and 14 million yen in the Household Products business for the first quarter of the fiscal year ended March 31, 2024.