

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024

[Japanese Standards] (Consolidated)

August 2, 2024

Company name: OKAMOTO INDUSTRIES, INC.
 Stock exchange listing: Tokyo
 Stock code: 5122 URL <https://www.okamoto-inc.jp/>
 Representative: Kunihiko Okamoto, President
 Inquiries: Hisao Hosoya, Executive Officer (Accounting Dept.)
 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, 2024

(from April 1, 2024 to June 30, 2024)

(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, 2024	26,066	3.4	2,538	10.7	3,592	9.7	2,210	△ 19.3
Three months ended June 30, 2023	25,208	12.1	2,294	26.5	3,274	27.7	2,740	68.5

(Note) Comprehensive income: Three months ended June 30, 2024 : 4,551 million yen △ 26.1 %
 Three months ended June 30, 2023 : 6,160 million yen 188.4 %

	Net income per share	Diluted net income per share
	yen	yen
Three months ended June 30, 2024	126.27	-
Three months ended June 30, 2023	155.67	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	146,197	93,931	62.2
As of March 31, 2024	143,858	91,581	61.6

(Reference) Own capital: As of June 30, 2024 : 90,978 million yen
 As of March 31, 2024 : 88,659 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, 2024	-	55.00	-	80.00	135.00
FY Ended March 31, 2025	-	-	-	-	-
FY Ended March 31, 2025 (forecast)	-	60.00	-	60.00	120.00

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

3. Forecasts of consolidated financial results for the year ending March 31, 2025

(from April 1, 2024 to March 31, 2025)

(% 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, 2024	54,700	7.3	4,650	△ 2.5	5,200	△ 13.4	3,550	△ 22.5	201.98
Full year	111,000	4.6	9,250	△ 7.9	10,400	△ 14.0	6,700	△ 9.3	381.19

(Note) Revision of the latest consolidated results forecast announced: No

*Notes

(1) Changes in status of significant subsidiaries during the three months ended June 30, 2024
 (changes in status of specified subsidiaries accompanying changes in consolidated) Yes
 Newly consolidated subsidiaries: 1 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: Yes
 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, 2024	17,899,367	FY Ended March 31, 2024	18,099,367
②	Three months ended June 30, 2024	469,705	FY Ended March 31, 2024	557,186
③	Three months ended June 30, 2024	17,503,064	Three months ended June 30, 2023	17,604,090

*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, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	39,872	39,202
Notes receivable-trade	1,683	1,674
Accounts receivable-trade	18,498	17,595
Electronically recorded monetary claims-operating	8,118	8,111
Merchandise and finished goods	8,984	10,179
Work in process	2,552	2,805
Raw materials and supplies	3,960	4,389
Other	1,864	2,097
Allowance for doubtful accounts	△ 46	△ 53
Total current assets	85,487	86,002
Non-current assets		
Property, plant and equipment	20,588	21,789
Intangible assets	1,901	2,212
Investments and other assets		
Long-term time deposits	1,000	1,000
Investment securities	33,187	34,532
Long-term loans receivable	992	-
Deferred tax assets	183	164
Other	518	497
Allowance for doubtful accounts	-	△ 0
Total investments and other assets	35,881	36,193
Total non-current assets	58,371	60,195
Total assets	143,858	146,197

(millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable–trade	24,954	23,948
Electronically recorded obligations–operating	2,295	2,548
Short–term loans payable	2,212	2,218
Income taxes payable	1,452	641
Provision for bonuses	1,057	587
Other	5,004	6,080
Total current liabilities	36,976	36,025
Non–current liabilities		
Long–term loans payable	1,138	1,132
Deferred tax liabilities	6,120	7,041
Net defined benefit liability	7,320	7,310
Other	721	756
Total non–current liabilities	15,301	16,240
Total liabilities	52,277	52,265
Net assets		
Shareholders' equity		
Capital stock	13,047	13,047
Capital surplus	567	567
Retained earnings	55,612	55,426
Treasury stock	△ 2,437	△ 2,166
Total shareholders' equity	66,790	66,875
Accumulated other comprehensive income		
Valuation difference on available–for–sale securities	18,030	19,498
Deferred gains or losses on hedges	△ 0	1
Foreign currency translation adjustment	3,779	4,550
Remeasurements of defined benefit plans	59	53
Total accumulated other comprehensive income	21,868	24,103
Non–controlling interests	2,921	2,953
Total net assets	91,581	93,931
Total liabilities and net assets	143,858	146,197

Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income
Consolidated Quarterly Statements of Income
Three months ended June 30, 2024

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	25,208	26,066
Cost of sales	19,470	19,816
Gross profit	5,737	6,249
Selling, general and administrative expenses		
Freightage and packing expenses	801	928
Other selling expenses	664	712
Salaries and bonuses	821	862
Provision for bonuses	181	186
Retirement benefit expenses	35	28
Other general and administrative expenses	939	993
Total selling, general and administrative expenses	3,443	3,710
Operating profit	2,294	2,538
Non-operating income		
Interest income	12	13
Dividends income	440	504
Real estate rent	134	164
Foreign exchange gains	393	393
Equity in earnings of affiliates	19	-
Other income	32	73
Total non-operating income	1,033	1,149
Non-operating expenses		
Interest expenses	8	6
Equity in losses of affiliates	-	3
Rent expenses on real estates	26	29
Other expenses	18	54
Total non-operating expenses	53	95
Ordinary income	3,274	3,592
Extraordinary income		
Gain on sales of noncurrent assets	-	0
Total extraordinary gain	-	0
Extraordinary loss		
Loss on retirement of noncurrent assets	0	19
Impairment loss	47	472
Other loss	1	-
Total extraordinary loss	48	491
Profit before income taxes	3,225	3,102
Income taxes-current	382	636
Income taxes-deferred	68	273
Total income taxes	451	909
Net income	2,774	2,193
Profit attributable to non-controlling interests	34	△ 17
Profit attributable to owners of parent	2,740	2,210

Consolidated Quarterly Statements of Comprehensive Income
Three months ended June 30, 2024

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net income	2,774	2,193
Other comprehensive income		
Valuation difference on available-for-sale securities	3,123	1,521
Deferred gains or losses on hedges	2	3
Foreign currency translation adjustment	248	838
Remeasurements of defined benefit plans, net of tax	0	△ 5
Share of other comprehensive income of associates accounted for using equity method	10	-
Total accumulated other comprehensive income	3,385	2,357
Comprehensive income	6,160	4,551
(comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	6,132	4,506
Comprehensive income attributable to non-controlling interests	27	44

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

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.

Three months ended June 30, 2024

(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	18,105	7,892	25,997	68	26,066	-	26,066
Intersegment sales or transfers	22	162	185	830	1,015	△ 1,015	-
Total	18,128	8,054	26,182	898	27,081	△ 1,015	26,066
Segment profit (loss)	660	2,347	3,007	124	3,131	△ 593	2,538

* 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 11 million yen in intersegment eliminations and negative 604 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 segment, impairment loss on fixed assets was recorded at 472 million yen. The impairment loss was recorded at 472 million yen for the first quarter of the fiscal year ended March 31, 2025.