

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

July 30, 2021

Company name: CTS Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4345 URL <http://www.cts-h.co.jp>  
 Representative: Representative Director and President Taizo Yokoshima  
 Operating Officer Accounting & Finance Makio Kitahara TEL 0268-26-3700  
 Inquiries: Manager  
 Scheduled date to file Quarterly Securities Report: August 12, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 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, 2021 (from April 1, 2021 to June 30, 2021)

#### (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, 2021	2,456	8.7	530	21.2	506	22.5	347	26.0
Three months ended June 30, 2020	2,260	5.6	438	18.9	413	13.9	275	12.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	8.17		–	
Three months ended June 30, 2020	6.47		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	12,738	8,617	67.6
As of March 31, 2021	13,115	8,789	67.0

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	–	6.00	–	8.00	14.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	7.00	–	8.00	15.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Six months ending September 30, 2021	5,000	2.8	1,050	4.2	1,000	4.0	700	8.1	16.44
Full year	10,600	6.3	2,400	7.7	2,300	8.1	1,600	9.8	37.57

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021  
 (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: Yes
- 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, 2021	43,400,000 shares	As of March 31, 2021	43,400,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	919,645 shares	As of March 31, 2021	720,845 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, 2021	42,589,255 shares	Three months ended June 30, 2020	42,679,155 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	6,216	5,950
Notes and accounts receivable - trade	1,693	1,669
Inventories	460	463
Other	196	191
Allowance for doubtful accounts	(4)	(4)
Total current assets	8,563	8,269
Non-current assets		
Property, plant and equipment		
Leased assets, net	2,275	2,135
Other, net	1,802	1,786
Total property, plant and equipment	4,078	3,921
Intangible assets	53	145
Investments and other assets		
Other	422	402
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	420	401
Total non-current assets	4,552	4,469
Total assets	13,115	12,738
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	499	452
Income taxes payable	378	143
Other	1,661	1,854
Total current liabilities	2,539	2,450
Non-current liabilities		
Lease obligations	1,570	1,450
Other	215	220
Total non-current liabilities	1,786	1,670
Total liabilities	4,326	4,121
<b>Net assets</b>		
Shareholders' equity		
Share capital	425	425
Capital surplus	2,399	2,399
Retained earnings	6,393	6,400
Treasury shares	(460)	(636)
Total shareholders' equity	8,758	8,588
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	31	28
Total accumulated other comprehensive income	31	28
Total net assets	8,789	8,617
Total liabilities and net assets	13,115	12,738

**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, 2020	Three months ended June 30, 2021
Net sales	2,260	2,456
Cost of sales	1,243	1,290
Gross profit	1,016	1,165
Selling, general and administrative expenses	578	634
Operating profit	438	530
Non-operating income		
Dividend income	0	0
Rental income from land and buildings	0	0
Other	0	1
Total non-operating income	2	2
Non-operating expenses		
Interest expenses	9	11
Share of loss of entities accounted for using equity method	17	15
Total non-operating expenses	27	27
Ordinary profit	413	506
Extraordinary income		
Gain on sale of investment securities	–	10
Total extraordinary income	–	10
Profit before income taxes	413	516
Income taxes - current	126	152
Income taxes - deferred	10	16
Total income taxes	137	169
Profit	275	347
Profit attributable to owners of parent	275	347

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	275	347
Other comprehensive income		
Valuation difference on available-for-sale securities	4	(2)
Total other comprehensive income	4	(2)
Comprehensive income	280	345
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	280	345
Comprehensive income attributable to non-controlling interests	—	—