

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 10, 2022

Company name: Titan Kogyo, Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4098 URL <http://www.titankogyo.co.jp>  
 Representative: President Yasuo Inoue  
 Inquiries: Director Atsushi Nishida TEL 0836-31-4155  
 Scheduled date to file Quarterly Securities Report: August 10, 2022  
 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, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	2,239	18.8	185	28.4	190	94.7	136	125.2
Three months ended June 30, 2021	1,885	33.7	144	91.7	97	32.2	60	13.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	45.97		–	
Three months ended June 30, 2021	20.07		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	16,597	6,856	38.8
As of March 31, 2022	16,372	6,737	38.7

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	–	18.00	18.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	0.00	–	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
Six months ending September 30, 2022	4,170	11.0	240	7.5	230	47.2	140	18.2	47.33
Full year	9,400	15.3	510	36.7	480	66.8	300	13.1	101.42

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 2022	3,027,626 shares	As of March 31, 2022	3,027,626 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	69,505 shares	As of March 31, 2022	56,793 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, 2022	2,960,247 shares	Three months ended June 30, 2021	3,011,463 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	561	501
Notes and accounts receivable - trade	1,529	1,425
Electronically recorded monetary claims - operating	798	940
Merchandise and finished goods	2,631	3,059
Work in process	873	947
Raw materials and supplies	577	504
Other	23	31
Total current assets	6,996	7,409
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,604	3,560
Machinery, equipment and vehicles, net	4,349	4,206
Other, net	383	374
Total property, plant and equipment	8,338	8,141
Intangible assets	18	16
Investments and other assets		
Other	1,021	1,030
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	1,020	1,029
Total non-current assets	9,376	9,187
Total assets	16,372	16,597

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	699	819
Electronically recorded obligations - operating	285	341
Short-term borrowings	2,350	2,600
Current portion of long-term borrowings	506	590
Income taxes payable	67	16
Provision for bonuses	162	47
Other	710	668
Total current liabilities	4,783	5,083
Non-current liabilities		
Long-term borrowings	4,264	4,074
Retirement benefit liability	584	571
Asset retirement obligations	3	4
Other	–	7
Total non-current liabilities	4,852	4,657
Total liabilities	9,635	9,741
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,443	3,443
Capital surplus	402	402
Retained earnings	2,287	2,370
Treasury shares	(101)	(124)
Total shareholders' equity	6,031	6,090
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	251	273
Foreign currency translation adjustment	99	121
Remeasurements of defined benefit plans	(48)	(43)
Total accumulated other comprehensive income	303	351
Non-controlling interests	402	413
Total net assets	6,737	6,856
Total liabilities and net assets	16,372	16,597

**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, 2021	Three months ended June 30, 2022
Net sales	1,885	2,239
Cost of sales	1,460	1,785
Gross profit	424	454
Selling, general and administrative expenses	280	268
Operating profit	144	185
Non-operating income		
Interest income	0	0
Dividend income	7	15
Share of profit of entities accounted for using equity method	8	1
Other	3	2
Total non-operating income	20	19
Non-operating expenses		
Interest expenses	11	10
Other	55	3
Total non-operating expenses	67	14
Ordinary profit	97	190
Profit before income taxes	97	190
Income taxes - current	3	5
Income taxes - deferred	19	37
Total income taxes	23	43
Profit	74	147
Profit attributable to non-controlling interests	14	10
Profit attributable to owners of parent	60	136

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

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	74	147
Other comprehensive income		
Valuation difference on available-for-sale securities	(3)	21
Remeasurements of defined benefit plans, net of tax	5	4
Share of other comprehensive income of entities accounted for using equity method	5	21
Total other comprehensive income	7	48
Comprehensive income	82	195
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	68	184
Comprehensive income attributable to non-controlling interests	14	10