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## Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2023 (under IFRS)

November 4, 2022

Company name: **F.C.C. CO., LTD.**  
 Listing: Tokyo Stock Exchange  
 Securities code: 7296  
 URL: <https://www.fcc-net.co.jp/>  
 Representative: Yoshitaka Saito, President and Representative Director  
 Contact: Yasutaka Oishi, Operating Officer, Head of Management and Administration  
 TEL: +81-53-523-2400

Scheduled date to file Quarterly Securities Report: November 11, 2022

Scheduled date to commence dividend payments: November 28, 2022

Preparation of supplementary results briefing material on quarterly financial results: Yes

Holding of quarterly financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded, unless otherwise noted)

### 1. Consolidated financial results for the Second quarter of the fiscal year ending March 31, 2023 (from April 1, 2022 to September 30, 2022)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

|                    | Revenue         |      | Operating profit |        | Profit before income taxes |       | Profit          |        | Profit attributable to owners of parent |        | Total comprehensive income |       |
|--------------------|-----------------|------|------------------|--------|----------------------------|-------|-----------------|--------|-----------------------------------------|--------|----------------------------|-------|
|                    | Millions of yen | %    | Millions of yen  | %      | Millions of yen            | %     | Millions of yen | %      | Millions of yen                         | %      | Millions of yen            | %     |
| Six months ended   |                 |      |                  |        |                            |       |                 |        |                                         |        |                            |       |
| September 30, 2022 | 107,148         | 35.0 | 4,236            | (23.9) | 5,723                      | (4.0) | 3,480           | (17.2) | 3,374                                   | (18.6) | 16,356                     | 226.0 |
| September 30, 2021 | 79,370          | 33.8 | 5,563            | –      | 5,964                      | –     | 4,204           | –      | 4,144                                   | –      | 5,017                      | 491.1 |

|                    | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Six months ended   | Yen                      | Yen                        |
| September 30, 2022 | 67.87                    | –                          |
| September 30, 2021 | 83.41                    | –                          |

#### (2) Consolidated financial position

|                    | Total assets    | Total equity    | Equity attributable to owners of parent | Ratio of equity attributable to owners of parent to total assets | Equity attributable to owners of parent per share |
|--------------------|-----------------|-----------------|-----------------------------------------|------------------------------------------------------------------|---------------------------------------------------|
| As of              | Millions of yen | Millions of yen | Millions of yen                         | %                                                                | Yen                                               |
| September 30, 2022 | 214,686         | 163,527         | 161,452                                 | 75.2                                                             | 3,246.73                                          |
| March 31, 2022     | 195,364         | 148,532         | 146,625                                 | 75.1                                                             | 2,950.09                                          |

## 2. Cash dividends

|                                                    | Annual cash dividends per share |                    |                   |                 |       |
|----------------------------------------------------|---------------------------------|--------------------|-------------------|-----------------|-------|
|                                                    | First quarter-end               | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
|                                                    | Yen                             | Yen                | Yen               | Yen             | Yen   |
| Fiscal year ended<br>March 31, 2022                | –                               | 26.00              | –                 | 26.00           | 52.00 |
| Fiscal year ending<br>March 31, 2023               | –                               | 26.00              |                   |                 |       |
| Fiscal year ending<br>March 31, 2023<br>(Forecast) |                                 |                    | –                 | 26.00           | 52.00 |

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

|                                      | Revenue         |      | Operating profit |      | Profit before income taxes |      | Profit          |       | Profit attributable to owners of parent |       | Basic earnings per share |
|--------------------------------------|-----------------|------|------------------|------|----------------------------|------|-----------------|-------|-----------------------------------------|-------|--------------------------|
|                                      | Millions of yen | %    | Millions of yen  | %    | Millions of yen            | %    | Millions of yen | %     | Millions of yen                         | %     | Yen                      |
| Fiscal year ending<br>March 31, 2023 | 218,000         | 27.5 | 11,500           | 14.4 | 13,400                     | 12.2 | 8,600           | (0.9) | 8,400                                   | (1.8) | 168.95                   |

Note: Revisions to the consolidated earnings forecast most recently announced: Yes

**\* Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: None

Excluded: None

- (2) Changes in accounting policies and changes in accounting estimates

a. Changes in accounting policies required by IFRS: None

b. Changes in accounting policies other than the above: None

c. Changes in accounting estimates: None

- (3) Number of shares issued (ordinary shares)

- a. Total number of shares issued at the end of the period (including treasury shares)

|                          |                   |
|--------------------------|-------------------|
| As of September 30, 2022 | 52,644,030 shares |
| As of March 31, 2022     | 52,644,030 shares |

- b. Number of treasury shares at the end of the period

|                          |                  |
|--------------------------|------------------|
| As of September 30, 2022 | 2,916,364 shares |
| As of March 31, 2022     | 2,941,879 shares |

- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                             |                   |
|---------------------------------------------|-------------------|
| For the six months ended September 30, 2022 | 49,712,331 shares |
| For the six months ended September 30, 2021 | 49,693,489 shares |

- \* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

- \* Proper use of earnings forecasts, and other special matters

*Caution regarding forward-looking statements*

The forward-looking statements including earnings forecasts contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended as the Company's commitment to achieve such forecasts. Actual business and other results may differ significantly from these forecasts due to a wide range of factors.

*How to obtain supplementary results briefing material on quarterly financial results*

The Company plans to hold a quarterly financial results presentation meeting on November 10, 2022.

The Company also plans to post to its website the materials that are used at the meeting on the same day.

## Condensed quarterly consolidated financial statements

### (1) Condensed quarterly consolidated statement of financial position

(Millions of yen)

|                                                   | As of<br>March 31, 2022 | As of<br>September 30, 2022 |
|---------------------------------------------------|-------------------------|-----------------------------|
| Assets                                            |                         |                             |
| Current assets                                    |                         |                             |
| Cash and cash equivalents                         | 44,627                  | 49,364                      |
| Trade and other receivables                       | 34,203                  | 40,935                      |
| Other financial assets                            | 2,413                   | 2,714                       |
| Inventories                                       | 30,780                  | 35,257                      |
| Other current assets                              | 2,985                   | 3,689                       |
| Total current assets                              | 115,010                 | 131,961                     |
| Non-current assets                                |                         |                             |
| Property, plant and equipment                     | 60,029                  | 63,076                      |
| Goodwill and intangible assets                    | 3,805                   | 3,676                       |
| Investments accounted for using the equity method | 168                     | 185                         |
| Other financial assets                            | 13,607                  | 12,842                      |
| Deferred tax assets                               | 2,595                   | 2,646                       |
| Other non-current assets                          | 146                     | 297                         |
| Total non-current assets                          | 80,354                  | 85,725                      |
| Total assets                                      | 195,364                 | 214,686                     |

(Millions of yen)

|                                               | As of<br>March 31, 2022 | As of<br>September 30, 2022 |
|-----------------------------------------------|-------------------------|-----------------------------|
| Liabilities and equity                        |                         |                             |
| Liabilities                                   |                         |                             |
| Current liabilities                           |                         |                             |
| Trade and other payables                      | 18,254                  | 20,371                      |
| Borrowings                                    | 6,100                   | 6,100                       |
| Other financial liabilities                   | 385                     | 396                         |
| Income taxes payable                          | 2,125                   | 2,266                       |
| Provisions                                    | 1,669                   | 3,037                       |
| Other current liabilities                     | 7,042                   | 7,283                       |
| Total current liabilities                     | <u>35,577</u>           | <u>39,456</u>               |
| Non-current liabilities                       |                         |                             |
| Other financial liabilities                   | 1,260                   | 1,241                       |
| Defined benefit liability                     | 1,644                   | 1,486                       |
| Provisions                                    | 14                      | 14                          |
| Deferred tax liabilities                      | 7,973                   | 8,428                       |
| Other non-current liabilities                 | 362                     | 531                         |
| Total non-current liabilities                 | <u>11,255</u>           | <u>11,703</u>               |
| Total liabilities                             | <u>46,832</u>           | <u>51,159</u>               |
| Equity                                        |                         |                             |
| Issued capital                                | 4,175                   | 4,175                       |
| Retained earnings                             | 132,252                 | 134,720                     |
| Treasury shares                               | (4,764)                 | (4,723)                     |
| Other components of equity                    | 14,962                  | 27,279                      |
| Total equity attributable to owners of parent | <u>146,625</u>          | <u>161,452</u>              |
| Non-controlling interests                     | 1,906                   | 2,074                       |
| Total equity                                  | <u>148,532</u>          | <u>163,527</u>              |
| Total liabilities and equity                  | <u>195,364</u>          | <u>214,686</u>              |

**(2) Condensed quarterly consolidated statement of income**

(Millions of yen)

|                                                                             | Six months ended<br>September 30, 2021 | Six months ended<br>September 30, 2022 |
|-----------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Revenue                                                                     | 79,370                                 | 107,148                                |
| Cost of sales                                                               | (65,441)                               | (92,362)                               |
| Gross profit                                                                | 13,928                                 | 14,786                                 |
| Selling, general and administrative expenses                                | (8,520)                                | (10,765)                               |
| Other income                                                                | 253                                    | 298                                    |
| Other expense                                                               | (98)                                   | (82)                                   |
| Operating profit                                                            | 5,563                                  | 4,236                                  |
| Finance income                                                              | 453                                    | 1,515                                  |
| Finance costs                                                               | (49)                                   | (22)                                   |
| Share of profit (loss) in investments accounted for using the equity method | (3)                                    | (5)                                    |
| Profit before income taxes                                                  | 5,964                                  | 5,723                                  |
| Income tax expense                                                          | (1,759)                                | (2,243)                                |
| Profit                                                                      | 4,204                                  | 3,480                                  |
| Profit attributable to                                                      |                                        |                                        |
| Owners of parent                                                            | 4,144                                  | 3,374                                  |
| Non-controlling interests                                                   | 59                                     | 106                                    |
| Profit                                                                      | 4,204                                  | 3,480                                  |
| Earnings (loss) per share                                                   |                                        |                                        |
| Basic earnings (loss) per share (Yen)                                       | 83.41                                  | 67.87                                  |
| Diluted earnings per share (Yen)                                            | —                                      | —                                      |

**(3) Condensed quarterly consolidated statement of comprehensive income**

(Millions of yen)

|                                                                                                         | Six months ended<br>September 30, 2021 | Six months ended<br>September 30, 2022 |
|---------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Profit                                                                                                  | 4,204                                  | 3,480                                  |
| Other comprehensive income                                                                              |                                        |                                        |
| Components that will not be reclassified to profit or loss                                              |                                        |                                        |
| Remeasurements of defined benefit plans                                                                 | 0                                      | 393                                    |
| Changes in the fair value of financial assets measured at fair value through other comprehensive income | 117                                    | (388)                                  |
| Total                                                                                                   | <u>117</u>                             | <u>5</u>                               |
| Components that may be reclassified to profit or loss                                                   |                                        |                                        |
| Exchange differences of foreign operations                                                              | 696                                    | 12,874                                 |
| Share of other comprehensive income of associates accounted for using equity method                     | (0)                                    | (4)                                    |
| Total                                                                                                   | <u>695</u>                             | <u>12,870</u>                          |
| Total other comprehensive income                                                                        | <u>812</u>                             | <u>12,876</u>                          |
| Comprehensive income                                                                                    | <u>5,017</u>                           | <u>16,356</u>                          |
| Comprehensive income attributable to                                                                    |                                        |                                        |
| Owners of parent                                                                                        | 4,918                                  | 16,085                                 |
| Non-controlling interests                                                                               | 98                                     | 271                                    |
| Comprehensive income                                                                                    | <u>5,017</u>                           | <u>16,356</u>                          |

**(4) Condensed quarterly consolidated statement of changes in equity**  
Six months ended September 30, 2021

|                                          | Equity attributable to owners of parent |                   |                 |                                            |                                                                                                         |
|------------------------------------------|-----------------------------------------|-------------------|-----------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------|
|                                          | Issued capital                          | Retained earnings | Treasury shares | Other components of equity                 |                                                                                                         |
|                                          |                                         |                   |                 | Exchange differences of foreign operations | Changes in the fair value of financial assets measured at fair value through other comprehensive income |
| Millions of yen                          | Millions of yen                         | Millions of yen   | Millions of yen | Millions of yen                            |                                                                                                         |
| Balance as of April 1, 2021              | 4,175                                   | 125,943           | (4,788)         | 367                                        | 4,541                                                                                                   |
| Profit                                   | –                                       | 4,144             | –               | –                                          | –                                                                                                       |
| Other comprehensive income               | –                                       | –                 | –               | 657                                        | 115                                                                                                     |
| Total comprehensive income               | –                                       | 4,144             | –               | 657                                        | 115                                                                                                     |
| Purchase of treasury shares              | –                                       | –                 | (0)             | –                                          | –                                                                                                       |
| Disposal of treasury shares              | –                                       | (0)               | 23              | –                                          | –                                                                                                       |
| Dividends                                | –                                       | (993)             | –               | –                                          | –                                                                                                       |
| Transfer from other components of equity | –                                       | 1                 | –               | –                                          | (1)                                                                                                     |
| Total transactions with the owners       | –                                       | (993)             | 23              | –                                          | (1)                                                                                                     |
| Balance as of September 30, 2021         | 4,175                                   | 129,095           | (4,764)         | 1,025                                      | 4,655                                                                                                   |

|                                          | Equity attributable to owners of parent |                 |                 |                           |                 |
|------------------------------------------|-----------------------------------------|-----------------|-----------------|---------------------------|-----------------|
|                                          | Other components of equity              |                 | Total           | Non-controlling interests | Total equity    |
|                                          | Remeasurements of defined benefit plans | Total           |                 |                           |                 |
|                                          | Millions of yen                         | Millions of yen | Millions of yen | Millions of yen           | Millions of yen |
| Balance as of April 1, 2021              | –                                       | 4,908           | 130,239         | 1,756                     | 131,996         |
| Profit                                   | –                                       | –               | 4,144           | 59                        | 4,204           |
| Other comprehensive income               | 0                                       | 773             | 773             | 39                        | 812             |
| Total comprehensive income               | 0                                       | 773             | 4,918           | 98                        | 5,017           |
| Purchase of treasury shares              | –                                       | –               | (0)             | –                         | (0)             |
| Disposal of treasury shares              | –                                       | –               | 22              | –                         | 22              |
| Dividends                                | –                                       | –               | (993)           | (129)                     | (1,123)         |
| Transfer from other components of equity | (0)                                     | (1)             | –               | –                         | –               |
| Total transactions with the owners       | (0)                                     | (1)             | (971)           | (129)                     | (1,101)         |
| Balance as of September 30, 2021         | –                                       | 5,680           | 134,186         | 1,725                     | 135,912         |



Six months ended September 30, 2022

|                                          | Equity attributable to owners of parent |                   |                 |                                            |                                                                                                         |
|------------------------------------------|-----------------------------------------|-------------------|-----------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------|
|                                          | Issued capital                          | Retained earnings | Treasury shares | Other components of equity                 |                                                                                                         |
|                                          |                                         |                   |                 | Exchange differences of foreign operations | Changes in the fair value of financial assets measured at fair value through other comprehensive income |
| Millions of yen                          | Millions of yen                         | Millions of yen   | Millions of yen | Millions of yen                            |                                                                                                         |
| Balance as of April 1, 2022              | 4,175                                   | 132,252           | (4,764)         | 10,480                                     | 4,481                                                                                                   |
| Profit                                   | –                                       | 3,374             | –               | –                                          | –                                                                                                       |
| Other comprehensive income               | –                                       | –                 | –               | 12,700                                     | (383)                                                                                                   |
| Total comprehensive income               | –                                       | 3,374             | –               | 12,700                                     | (383)                                                                                                   |
| Purchase of treasury shares              | –                                       | –                 | (0)             | –                                          | –                                                                                                       |
| Disposal of treasury shares              | –                                       | (7)               | 41              | –                                          | –                                                                                                       |
| Dividends                                | –                                       | (1,292)           | –               | –                                          | –                                                                                                       |
| Transfer from other components of equity | –                                       | 393               | –               | –                                          | –                                                                                                       |
| Total transactions with the owners       | –                                       | (906)             | 41              | –                                          | –                                                                                                       |
| Balance as of September 30, 2022         | 4,175                                   | 134,720           | (4,723)         | 23,181                                     | 4,098                                                                                                   |

|                                          | Equity attributable to owners of parent |                 |                 |                           |                 |
|------------------------------------------|-----------------------------------------|-----------------|-----------------|---------------------------|-----------------|
|                                          | Other components of equity              |                 | Total           | Non-controlling interests | Total equity    |
|                                          | Remeasurements of defined benefit plans | Total           |                 |                           |                 |
|                                          | Millions of yen                         | Millions of yen | Millions of yen | Millions of yen           | Millions of yen |
| Balance as of April 1, 2022              | –                                       | 14,962          | 146,625         | 1,906                     | 148,532         |
| Profit                                   | –                                       | –               | 3,374           | 106                       | 3,480           |
| Other comprehensive income               | 393                                     | 12,711          | 12,711          | 165                       | 12,876          |
| Total comprehensive income               | 393                                     | 12,711          | 16,085          | 271                       | 16,356          |
| Purchase of treasury shares              | –                                       | –               | (0)             | –                         | (0)             |
| Disposal of treasury shares              | –                                       | –               | 33              | –                         | 33              |
| Dividends                                | –                                       | –               | (1,292)         | (103)                     | (1,396)         |
| Transfer from other components of equity | (393)                                   | (393)           | –               | –                         | –               |
| Total transactions with the owners       | (393)                                   | (393)           | (1,258)         | (103)                     | (1,362)         |
| Balance as of September 30, 2022         | –                                       | 27,279          | 161,452         | 2,074                     | 163,527         |

**(5) Condensed quarterly consolidated statement of cash flows**

(Millions of yen)

|                                                                             | Six months ended<br>September 30, 2021 | Six months ended<br>September 30, 2022 |
|-----------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Cash flows from (used in) operating activities                              |                                        |                                        |
| Profit (loss) before income taxes                                           | 5,964                                  | 5,723                                  |
| Depreciation and amortization expense                                       | 6,329                                  | 6,805                                  |
| Finance income and finance costs                                            | (443)                                  | (1,034)                                |
| Share of loss (profit) in investments accounted for using the equity method | 3                                      | 5                                      |
| Loss (gain) on sales and retirement of non-current assets                   | 12                                     | 14                                     |
| Decrease (Increase) in inventories                                          | (4,073)                                | (1,106)                                |
| Decrease (Increase) in trade and other receivables                          | 4,438                                  | (2,782)                                |
| Increase (decrease) in trade and other payables                             | (683)                                  | 422                                    |
| Increase (decrease) in defined benefit liability                            | 189                                    | 118                                    |
| Increase (decrease) in provisions                                           | –                                      | 1,367                                  |
| Other                                                                       | (1,021)                                | (24)                                   |
| Subtotal                                                                    | 10,714                                 | 9,510                                  |
| Interest and dividend income received                                       | 355                                    | 385                                    |
| Interest expenses paid                                                      | (15)                                   | (6)                                    |
| Income taxes paid                                                           | (2,672)                                | (2,422)                                |
| Income taxes refund and interest on refund received                         | 495                                    | 19                                     |
| Net cash flows from (used in) operating activities                          | 8,878                                  | 7,487                                  |
| Cash flows from (used in) investing activities                              |                                        |                                        |
| Payments into time deposits                                                 | (1,255)                                | (863)                                  |
| Proceeds from withdrawal of time deposits                                   | 1,261                                  | 1,368                                  |
| Purchase of property, plant and equipment                                   | (3,732)                                | (4,427)                                |
| Proceeds from sales of property, plant and equipment                        | 107                                    | 33                                     |
| Purchase of intangible assets                                               | (566)                                  | (429)                                  |
| Payments of loans receivable                                                | (52)                                   | (38)                                   |
| Collection of loans receivable                                              | 60                                     | 49                                     |
| Purchase of investments                                                     | (214)                                  | (268)                                  |
| Proceeds from sales and redemption of investments                           | 1                                      | –                                      |
| Other                                                                       | (16)                                   | (62)                                   |
| Net cash flows from (used in) investing activities                          | (4,406)                                | (4,637)                                |
| Cash flows from (used in) financing activities                              |                                        |                                        |
| Net increase (decrease) in short-term borrowings                            | (1,093)                                | –                                      |
| Repayments of lease liabilities                                             | (365)                                  | (239)                                  |
| Purchase of treasury shares                                                 | (0)                                    | (0)                                    |
| Cash dividends paid                                                         | (993)                                  | (1,292)                                |
| Cash dividends paid to non-controlling shareholders                         | (129)                                  | (103)                                  |
| Net cash flows from (used in) financing activities                          | (2,582)                                | (1,635)                                |
| Net increase (decrease) in cash and cash equivalents                        | 1,888                                  | 1,214                                  |
| Cash and cash equivalents at beginning of period                            | 39,607                                 | 44,627                                 |
| Effect of exchange rate change on cash and cash equivalents                 | 151                                    | 3,523                                  |
| Cash and cash equivalents at end of period                                  | 41,648                                 | 49,364                                 |