

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on Japanese GAAP)

November 10, 2022

Company name: Eagle Industry Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6486 URL <https://www.ekkeagle.com/jp/>
 Representative: Representative Director, President Tetsuji Tsuru
 Operating Officer, General Manager Yoshinobu Murata
 Corporate Finance & Accounting Office TEL 03-3438-2291
 Scheduled date to file Quarterly Securities Report: November 11, 2022
 Scheduled date to commence dividend payments: December 2, 2022
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 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	%
Six months ended September 30, 2022	76,276	11.1	3,763	(4.0)	6,271	23.5	3,538	1.6
Six months ended September 30, 2021	68,633	18.5	3,921	–	5,079	365.3	3,483	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	72.24		–	
Six months ended September 30, 2021	70.93		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2022	189,563	109,744	53.2	2,088.95
As of March 31, 2022	180,955	103,094	52.1	1,920.35

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	–	25.00	–	25.00	50.00
Year ending March 31, 2023	–	25.00	–	–	–
Year ending March 31, 2023 (Forecast)	–	–	–	25.00	50.00

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
Full year	163,300	15.9	9,000	19.0	12,600	16.5	7,200	26.0	148.09

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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: Yes
- (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 September 30, 2022	49,757,821 shares	As of March 31, 2022	49,757,821 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	1,497,114 shares	As of March 31, 2022	634,564 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	48,973,935 shares	Six months ended September 30, 2021	49,103,780 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	28,806	29,738
Trade receivables and contract assets	30,207	31,335
Electronically recorded monetary claims - operating	5,248	4,976
Merchandise and finished goods	10,169	10,894
Work in process	6,910	7,649
Raw materials and supplies	10,477	12,322
Other	6,600	6,426
Allowance for doubtful accounts	(96)	(95)
Total current assets	98,323	103,248
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	22,532	23,086
Machinery, equipment and vehicles, net	21,972	21,456
Other, net	14,534	16,948
Total property, plant and equipment	59,039	61,491
Intangible assets		
Goodwill	1,266	1,047
Other	1,842	1,834
Total intangible assets	3,108	2,881
Investments and other assets		
Investment securities	12,785	14,292
Other	7,806	7,757
Allowance for doubtful accounts	(108)	(107)
Total investments and other assets	20,483	21,942
Total non-current assets	82,631	86,315
Total assets	180,955	189,563

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	9,180	9,056
Electronically recorded obligations - operating	2,512	2,493
Short-term borrowings	13,022	13,236
Income taxes payable	1,534	1,799
Provision for bonuses	2,679	3,501
Other provisions	770	961
Other	12,985	12,145
Total current liabilities	42,686	43,195
Non-current liabilities		
Long-term borrowings	17,732	18,743
Provisions	316	413
Retirement benefit liability	15,412	15,443
Other	1,713	2,023
Total non-current liabilities	35,174	36,624
Total liabilities	77,860	79,819
Net assets		
Shareholders' equity		
Share capital	10,490	10,490
Capital surplus	11,296	11,296
Retained earnings	71,483	73,793
Treasury shares	(213)	(1,201)
Total shareholders' equity	93,057	94,379
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	458	501
Foreign currency translation adjustment	2,950	7,876
Remeasurements of defined benefit plans	(2,133)	(1,942)
Total accumulated other comprehensive income	1,275	6,434
Non-controlling interests	8,761	8,929
Total net assets	103,094	109,744
Total liabilities and net assets	180,955	189,563

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	68,633	76,276
Cost of sales	52,469	58,602
Gross profit	16,164	17,674
Selling, general and administrative expenses	12,242	13,911
Operating profit	3,921	3,763
Non-operating income		
Interest income	106	161
Dividend income	10	11
Share of profit of entities accounted for using equity method	701	814
Foreign exchange gains	180	1,235
Other	418	500
Total non-operating income	1,417	2,724
Non-operating expenses		
Interest expenses	194	195
Other	64	20
Total non-operating expenses	259	215
Ordinary profit	5,079	6,271
Extraordinary income		
Gain on sale of non-current assets	5	29
Total extraordinary income	5	29
Extraordinary losses		
Loss on sale of non-current assets	12	5
Loss on retirement of non-current assets	53	15
Total extraordinary losses	65	20
Profit before income taxes	5,019	6,281
Income taxes	852	1,990
Profit	4,167	4,291
Profit attributable to non-controlling interests	684	753
Profit attributable to owners of parent	3,483	3,538

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	4,167	4,291
Other comprehensive income		
Valuation difference on available-for-sale securities	73	71
Foreign currency translation adjustment	9	4,557
Remeasurements of defined benefit plans, net of tax	260	221
Share of other comprehensive income of entities accounted for using equity method	95	939
Total other comprehensive income	439	5,789
Comprehensive income	4,606	10,080
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,909	8,697
Comprehensive income attributable to non-controlling interests	697	1,383