

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended June 30, 2023
(Based on Japanese GAAP)**

July 28, 2023

Company name: Scroll Corporation
 Stock exchange listing: Tokyo
 Stock code: 8005 URL <https://www.scroll.jp/>
 Representative: President Tomohisa Tsurumi
 Director, General Manager of Corporate Management Dept. Yasunori Sugimoto TEL +81-53-464-1114 (from overseas)
 Scheduled date to file Quarterly Securities Report: August 8, 2023
 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, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	20,791	0.1	2,057	1.9	2,103	7.5	1,463	10.5
Three months ended June 30, 2022	20,768	(4.9)	2,019	(31.7)	1,955	(34.4)	1,324	(34.1)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	41.85	–
Three months ended June 30, 2022	37.98	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	52,232	32,604	62.4
As of March 31, 2023	53,200	31,997	60.1

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, 2023	–	10.00	–	38.00	48.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		24.00	–	24.00	48.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	83,000	2.4	6,100	(0.4)	6,200	0.1	4,200	0.7	119.79

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
 (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, 2023	35,098,550 shares	As of March 31, 2023	34,981,050 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	9,231 shares	As of March 31, 2023	9,181 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, 2023	34,973,154 shares	Three months ended June 30, 2022	34,865,766 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	10,267	6,776
Accounts receivable - trade	11,377	13,086
Inventories	8,754	9,690
Other	6,237	6,391
Allowance for doubtful accounts	(487)	(472)
Total current assets	36,149	35,472
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,499	6,394
Land	5,489	5,489
Other, net	940	880
Total property, plant and equipment	12,928	12,764
Intangible assets		
Goodwill	42	32
Other	728	693
Total intangible assets	770	725
Investments and other assets		
Other	3,733	3,709
Allowance for doubtful accounts	(381)	(440)
Total investments and other assets	3,352	3,269
Total non-current assets	17,051	16,759
Total assets	53,200	52,232
Liabilities		
Current liabilities		
Accounts payable - trade	2,707	2,649
Short-term borrowings	3,000	3,000
Accounts payable - other	7,516	7,112
Income taxes payable	1,453	660
Provisions	515	231
Other	1,337	1,276
Total current liabilities	16,529	14,930
Non-current liabilities		
Long-term borrowings	3,000	3,000
Provisions	54	53
Retirement benefit liability	1,456	1,480
Other	162	162
Total non-current liabilities	4,673	4,696
Total liabilities	21,203	19,627

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	6,064	6,116
Capital surplus	6,993	7,045
Retained earnings	18,344	18,478
Treasury shares	(4)	(4)
Total shareholders' equity	31,396	31,636
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	566	702
Deferred gains or losses on hedges	(13)	213
Foreign currency translation adjustment	47	51
Total accumulated other comprehensive income	600	968
Total net assets	31,997	32,604
Total liabilities and net assets	53,200	52,232

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, 2022	Three months ended June 30, 2023
Net sales	20,768	20,791
Cost of sales	12,792	12,124
Gross profit	7,975	8,667
Selling, general and administrative expenses	5,956	6,610
Operating profit	2,019	2,057
Non-operating income		
Interest income	4	4
Dividend income	25	28
Other	14	45
Total non-operating income	44	78
Non-operating expenses		
Interest expenses	5	5
Foreign exchange losses	102	25
Other	0	1
Total non-operating expenses	108	32
Ordinary profit	1,955	2,103
Extraordinary income		
Gain on sale of businesses	–	100
Total extraordinary income	–	100
Extraordinary losses		
Loss on retirement of non-current assets	3	3
Loss on sale of investment securities	2	–
Total extraordinary losses	5	3
Profit before income taxes	1,949	2,200
Income taxes - current	569	617
Income taxes - deferred	55	118
Total income taxes	625	736
Profit	1,324	1,463
Profit attributable to owners of parent	1,324	1,463

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,324	1,463
Other comprehensive income		
Valuation difference on available-for-sale securities	(55)	136
Deferred gains or losses on hedges	59	227
Foreign currency translation adjustment	10	4
Total other comprehensive income	14	367
Comprehensive income	1,338	1,831
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,338	1,831
Comprehensive income attributable to non-controlling interests	–	–