

Translation

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

August 2, 2023

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
 Senior Operating Officer, General Manager Yoshinobu Murata
 Corporate Finance & Accounting Office TEL 03-3438-2291
 Scheduled date to file Quarterly Securities Report: August 10, 2023
 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, 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	40,008	9.3	1,495	(23.1)	3,965	9.0	2,445	50.7
Three months ended June 30, 2022	36,614	1.8	1,945	(22.5)	3,637	8.3	1,623	(20.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	50.79		–	
Three months ended June 30, 2022	33.04		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	202,135	120,018	54.8	2,298.20
As of March 31, 2023	193,232	112,930	54.0	2,169.53

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, 2023	–	25.00	–	45.00	70.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	35.00	–	35.00	70.00

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
Six months ending September 30, 2023	81,200	6.5	2,500	(33.6)	5,500	(12.3)	3,300	(6.7)	69.38
Full year	166,600	5.9	8,800	(5.0)	13,000	5.9	7,300	7.4	157.03

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: 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: 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	49,757,821 shares	As of March 31, 2023	49,757,821 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	1,559,464 shares	As of March 31, 2023	1,627,625 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	48,147,029 shares	Three months ended June 30, 2022	49,123,182 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	30,581	29,803
Notes and accounts receivable - trade, and contract assets	32,542	33,184
Electronically recorded monetary claims - operating	5,073	5,378
Merchandise and finished goods	11,606	12,234
Work in process	8,298	8,769
Raw materials and supplies	12,961	14,183
Other	6,753	7,682
Allowance for doubtful accounts	(105)	(112)
Total current assets	107,712	111,124
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,015	25,726
Machinery, equipment and vehicles, net	21,322	21,863
Other, net	14,541	16,672
Total property, plant and equipment	60,879	64,261
Intangible assets		
Goodwill	829	728
Other	1,898	1,900
Total intangible assets	2,727	2,629
Investments and other assets		
Investment securities	14,733	16,919
Other	7,289	7,306
Allowance for doubtful accounts	(109)	(106)
Total investments and other assets	21,913	24,119
Total non-current assets	85,519	91,010
Total assets	193,232	202,135

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	9,655	9,864
Electronically recorded obligations - operating	2,590	2,586
Short-term borrowings	13,624	15,872
Income taxes payable	1,855	1,370
Provision for bonuses	2,818	2,158
Other provisions	655	480
Other	13,258	15,940
Total current liabilities	44,457	48,272
Non-current liabilities		
Long-term borrowings	20,508	18,343
Provisions	485	539
Retirement benefit liability	13,120	13,158
Other	1,730	1,804
Total non-current liabilities	35,844	33,844
Total liabilities	80,302	82,116
Net assets		
Shareholders' equity		
Share capital	10,490	10,490
Capital surplus	11,819	11,819
Retained earnings	75,824	76,030
Treasury shares	(1,884)	(1,805)
Total shareholders' equity	96,249	96,535
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	518	650
Foreign currency translation adjustment	7,310	13,216
Remeasurements of defined benefit plans	340	366
Total accumulated other comprehensive income	8,170	14,233
Non-controlling interests	8,510	9,248
Total net assets	112,930	120,018
Total liabilities and net assets	193,232	202,135

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	36,614	40,008
Cost of sales	28,036	31,043
Gross profit	8,577	8,964
Selling, general and administrative expenses	6,632	7,468
Operating profit	1,945	1,495
Non-operating income		
Interest income	83	118
Dividend income	10	11
Share of profit of entities accounted for using equity method	319	926
Foreign exchange gains	1,086	1,340
Other	291	197
Total non-operating income	1,791	2,595
Non-operating expenses		
Interest expenses	92	114
Other	7	10
Total non-operating expenses	99	124
Ordinary profit	3,637	3,965
Extraordinary income		
Gain on sale of non-current assets	20	4
Total extraordinary income	20	4
Extraordinary losses		
Loss on sale of non-current assets	2	3
Loss on retirement of non-current assets	4	10
Total extraordinary losses	7	14
Profit before income taxes	3,650	3,955
Income taxes	1,636	1,125
Profit	2,014	2,830
Profit attributable to non-controlling interests	390	384
Profit attributable to owners of parent	1,623	2,445

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	2,014	2,830
Other comprehensive income		
Valuation difference on available-for-sale securities	37	129
Foreign currency translation adjustment	3,907	5,052
Remeasurements of defined benefit plans, net of tax	107	47
Share of other comprehensive income of entities accounted for using equity method	788	1,316
Total other comprehensive income	4,840	6,546
Comprehensive income	6,854	9,376
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,002	8,508
Comprehensive income attributable to non-controlling interests	851	867