

Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]



October 30, 2023

Company name: RYODEN CORPORATION
Stock exchange listing: Tokyo Stock Exchange
Code number: 8084

URL: <https://www.ryoden.co.jp/>

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Scheduled date of filing quarterly securities report: November 14, 2023

Scheduled date of commencing dividend payments: December 4, 2023

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes (for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2023	129,843	2.2	4,236	(11.1)	4,313	(8.5)	2,900	(8.5)
Six months ended September 30, 2022	127,033	18.4	4,765	71.9	4,714	66.3	3,170	67.7

(Note) Comprehensive income: Six months ended September 30, 2023: ¥4,208 million [(11.4)%]

Six months ended September 30, 2022: ¥4,750 million [66.2%]

	Profit per share	Diluted profit per share
	Yen	Yen
Six months ended September 30, 2023	132.76	132.17
Six months ended September 30, 2022	145.45	144.61

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2023	165,742	83,253	50.1	3,801.67
As of March 31, 2023	151,049	79,898	52.8	3,652.29

(Reference) Equity: As of September 30, 2023: ¥83,117 million

As of March 31, 2023: ¥79,766 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen —	Yen 33.00	Yen —	Yen 41.00	Yen 74.00
Fiscal year ending March 31, 2024	—	46.00			
Fiscal year ending March 31, 2024 (Forecast)			—	46.00	92.00

(Note) Revision from the most recently announced dividend forecast: Yes
Please refer to the “Notice Regarding Dividends of Surplus and Revision of Year-End Dividend Forecast (Upward Revision)” announced today for the revision of dividend forecast.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	263,000	1.0	7,300	(22.2)	7,300	(19.6)	5,000	(6.8)	228.81

(Note) Revision from the most recently announced financial results forecast: Yes
Please refer to the “Notice Regarding Difference Between the Consolidated Financial Results Forecast and Actual Results for the Six Months Ended September 30, 2023 and Revision of Full-Year Consolidated Financial Results Forecast” announced today for the consolidated financial results forecast.

*** Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common stock)
 - 1) Total number of issued shares at the end of the period (including treasury stock):
September 30, 2023: 22,824,977 shares
March 31, 2023: 22,824,977 shares
 - 2) Total number of treasury stock at the end of the period:
September 30, 2023: 961,411 shares
March 31, 2023: 984,827 shares
 - 3) Average number of shares during the period:
Six months ended September 30, 2023: 21,851,782 shares
Six months ended September 30, 2022: 21,801,861 shares

* These quarterly financial results are outside the scope of quarterly review procedures by certified public accountant or audit firm.

* Explanation of the proper use of financial results forecast and other notes

The statements concerning future performance presented in this document are prepared based on currently available information and certain preconditions which the Company believes to be reasonable at this time. Actual results may be different from any projections presented herein due to various factors.

(How to obtain the supplementary briefing material on quarterly financial results and the contents of the quarterly financial results briefing session)

A financial results briefing session for institutional investors and securities analysts is scheduled to be held on Monday, November 13, 2023. The video of the briefing session and contents of presentation will be posted on the Company's website immediately after the briefing session be used on the day.

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	11,632	20,163
Notes and accounts receivable - trade, and contract assets	58,516	57,753
Electronically recorded monetary claims - operating	21,307	25,645
Securities	168	8
Merchandise and finished goods	37,879	42,917
Other	6,851	4,254
Allowance for doubtful accounts	(29)	(30)
Total current assets	136,326	150,711
Non-current assets		
Property, plant and equipment	5,438	5,406
Intangible assets	917	912
Investments and other assets		
Other	8,608	8,972
Allowance for doubtful accounts	(248)	(267)
Total investments and other assets	8,359	8,704
Total non-current assets	14,715	15,023
Deferred assets	7	6
Total assets	151,049	165,742

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	41,732	40,854
Electronically recorded obligations - operating	15,704	25,810
Short-term borrowings	1,633	3,125
Income taxes payable	1,905	1,525
Other	4,575	5,553
Total current liabilities	65,551	76,868
Non-current liabilities		
Long-term borrowings	1,785	1,778
Retirement benefit liability	2,980	2,981
Other	834	860
Total non-current liabilities	5,599	5,620
Total liabilities	71,150	82,488
Net assets		
Shareholders' equity		
Share capital	10,334	10,334
Capital surplus	7,504	7,523
Retained earnings	59,391	61,397
Treasury shares	(742)	(725)
Total shareholders' equity	76,488	78,529
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,940	2,290
Foreign currency translation adjustment	2,023	2,917
Remeasurements of defined benefit plans	(685)	(619)
Total accumulated other comprehensive income	3,278	4,588
Share acquisition rights	129	135
Non-controlling interests	2	—
Total net assets	79,898	83,253
Total liabilities and net assets	151,049	165,742

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Million yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Net sales	127,033	129,843
Cost of sales	112,551	115,349
Gross profit	14,481	14,493
Selling, general and administrative expenses	9,716	10,257
Operating profit	4,765	4,236
Non-operating income		
Interest income	25	76
Dividend income	90	95
Other	77	106
Total non-operating income	193	278
Non-operating expenses		
Interest expenses	14	49
Share of loss of entities accounted for using equity method	29	5
Foreign exchange losses	134	116
Other	66	29
Total non-operating expenses	244	201
Ordinary profit	4,714	4,313
Extraordinary income		
Gain on sale of investment securities	38	—
Subsidy income	1,500	70
Total extraordinary income	1,538	70
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	1,500	—
Total extraordinary losses	1,500	—
Profit before income taxes	4,752	4,384
Income taxes	1,600	1,486
Profit	3,152	2,898
Loss attributable to non-controlling interests	(18)	(2)
Profit attributable to owners of parent	3,170	2,900

Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profit	3,152	2,898
Other comprehensive income		
Valuation difference on available-for-sale securities	(42)	350
Foreign currency translation adjustment	1,591	893
Remeasurements of defined benefit plans, net of tax	49	66
Total other comprehensive income	1,598	1,310
Comprehensive income	4,750	4,208
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,769	4,211
Comprehensive income attributable to non-controlling interests	(18)	(2)

(3) Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	4,752	4,384
Depreciation	242	318
Increase (decrease) in allowance for doubtful accounts	0	4
Interest and dividend income	(116)	(171)
Interest expenses	14	49
Share of loss (profit) of entities accounted for using equity method	29	5
Decrease (increase) in trade receivables	(2,291)	(2,324)
Decrease (increase) in inventories	(2,536)	(4,418)
Increase (decrease) in trade payables	(1,719)	8,275
Loss on tax purpose reduction entry of non-current assets	1,500	—
Subsidy income	(1,500)	(70)
Decrease (increase) in accounts receivable - other	(1,013)	2,650
Other, net	373	785
Subtotal	(2,262)	9,488
Interest and dividends received	156	213
Interest paid	(10)	(51)
Income taxes paid	(1,583)	(1,787)
Net cash provided by (used in) operating activities	(3,699)	7,863
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,338)	(138)
Purchase of intangible assets	(102)	(126)
Purchase of investment securities	(37)	(125)
Proceeds from sale of investment securities	74	2
Proceeds from redemption of securities	—	166
Proceeds from withdrawal of time deposits	—	440
Subsidies received	1,500	70
Other, net	(427)	(66)
Net cash provided by (used in) investing activities	(1,331)	224
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	888	1,362
Proceeds from long-term borrowings	530	—
Net decrease (increase) in treasury shares	(0)	(1)
Dividends paid	(675)	(891)
Net cash provided by (used in) financing activities	742	470
Effect of exchange rate change on cash and cash equivalents	532	363
Net increase (decrease) in cash and cash equivalents	(3,755)	8,921
Cash and cash equivalents at beginning of period	11,577	11,091
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	629	—
Cash and cash equivalents at end of period	8,451	20,012