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**Consolidated Financial Results
for the First Six Months of the Fiscal Year
Ending March 31, 2024
(Under Japanese GAAP)**



November 7, 2023

Company name: Bunka Shutter Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 5930
 URL: <https://www.bunka-s.co.jp/>
 Representative: Hiroyuki Ogura, Representative Director and President
 Inquiries: Koichi Nishimura, Operating Officer and Manager of Accounting Department
 TEL: +81-3-5844-7200
 Scheduled date to file quarterly securities report: November 7, 2023
 Scheduled date to commence dividend payments: December 1, 2023
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

**1. Consolidated financial results for the first six months of the fiscal year ending March 31, 2024
(from April 1, 2023 to September 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	%
Six months ended								
September 30, 2023	98,675	14.0	4,342	68.0	5,021	80.5	3,078	64.6
September 30, 2022	86,564	3.0	2,584	14.5	2,781	31.2	1,869	52.7

Note: Comprehensive income For the six months ended September 30, 2023: ¥4,678 million [89.1%]
 For the six months ended September 30, 2022: ¥2,473 million [14.2%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2023	48.40	-
September 30, 2022	27.94	24.26

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2023	195,193	95,675	48.9
March 31, 2023	177,246	82,776	46.6

Reference: Equity

As of September 30, 2023: ¥95,533 million
 As of March 31, 2023: ¥82,602 million

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	21.00	–	21.00	42.00
Fiscal year ending March 31, 2024	–	21.00			
Fiscal year ending March 31, 2024 (Forecast)			–	21.00	42.00

Note: Revisions to the cash dividends forecasts most recently announced: None

3. Consolidated earnings forecasts for the fiscal 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2024	220,000	10.5	13,000	34.2	14,200	42.1	9,100	15.2	127.93

Note: Revisions to the earnings forecasts most recently announced: Yes

Concerning the revisions to the consolidated earnings forecasts, please refer to the “Notice Concerning Revisions to Earnings Forecasts” announced today (November 7, 2023).

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of special accounting treatment for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2023	72,196,487 shares
As of March 31, 2023	72,196,487 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2023	1,065,062 shares
As of March 31, 2023	10,936,697 shares

(iii) Average number of shares outstanding during the period

Six months ended September 30, 2023	63,600,237 shares
Six months ended September 30, 2022	66,924,289 shares

Note: The number of treasury shares at the end of the period includes the number of shares of Bunka Shutter Co., Ltd. (the "Company") held by the Board Incentive Plan trust. The Company's shares held by the trust are included in the treasury shares deducted in calculating the average number of shares outstanding during the period.

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

* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements and others)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

(How to obtain supplementary material on quarterly financial results)

The Company plans to hold a quarterly financial results briefing for analysts and institutional investors on November 28, 2023 (Tuesday). The Company also plans to post the supplementary material on quarterly financial results that will be used at the briefing on the Company's website in addition to disclosing it on TDnet.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	31,405	34,253
Notes and accounts receivable - trade, and contract assets	45,290	40,715
Electronically recorded monetary claims - operating	8,267	8,835
Merchandise and finished goods	9,768	13,970
Work in process	1,862	2,166
Raw materials and supplies	7,444	8,593
Other	3,753	3,788
Allowance for doubtful accounts	(162)	(191)
Total current assets	107,629	112,130
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,631	12,081
Land	12,616	13,116
Other, net	10,543	12,718
Total property, plant and equipment	34,791	37,916
Intangible assets		
Goodwill	4,259	9,928
Other	4,330	7,861
Total intangible assets	8,590	17,789
Investments and other assets		
Investment securities	16,117	17,783
Retirement benefit asset	1,751	1,773
Other	8,606	8,054
Allowance for doubtful accounts	(241)	(254)
Total investments and other assets	26,234	27,356
Total non-current assets	69,616	83,062
Total assets	177,246	195,193

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	18,825	15,400
Electronically recorded obligations - operating	21,217	20,897
Current portion of convertible-bond-type bonds with share acquisition rights	9,540	–
Short-term borrowings	1,498	15,389
Income taxes payable	1,659	1,718
Provision for bonuses	4,043	4,312
Provision for bonuses for directors (and other officers)	136	69
Provision for loss on construction contracts	341	281
Other	14,477	16,085
Total current liabilities	71,739	74,153
Non-current liabilities		
Long-term borrowings	24	17
Provision for retirement benefits for directors (and other officers)	256	238
Provision for share awards for directors (and other officers)	34	44
Retirement benefit liability	17,744	18,178
Asset retirement obligations	53	53
Other	4,616	6,829
Total non-current liabilities	22,730	25,363
Total liabilities	94,469	99,517
Net assets		
Shareholders' equity		
Share capital	15,051	15,051
Capital surplus	12,280	11,292
Retained earnings	62,699	64,473
Treasury shares	(11,654)	(1,103)
Total shareholders' equity	78,377	89,713
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,675	3,805
Revaluation reserve for land	(46)	(46)
Foreign currency translation adjustment	543	1,063
Remeasurements of defined benefit plans	1,051	997
Total accumulated other comprehensive income	4,224	5,819
Non-controlling interests	174	142
Total net assets	82,776	95,675
Total liabilities and net assets	177,246	195,193

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	86,564	98,675
Cost of sales	64,403	72,649
Gross profit	22,160	26,025
Selling, general and administrative expenses	19,576	21,682
Operating profit	2,584	4,342
Non-operating income		
Interest income	8	15
Dividend income	171	166
Rental income	35	37
Foreign exchange gains	298	596
Other	148	280
Total non-operating income	663	1,096
Non-operating expenses		
Interest expenses	110	132
Share of loss of entities accounted for using equity method	310	187
Other	46	98
Total non-operating expenses	466	418
Ordinary profit	2,781	5,021
Extraordinary income		
Gain on sale of non-current assets	2	2
Gain on sale of investment securities	401	15
Total extraordinary income	403	17
Extraordinary losses		
Loss on retirement of non-current assets	7	35
Total extraordinary losses	7	35
Profit before income taxes	3,177	5,003
Income taxes	1,303	1,919
Profit	1,873	3,083
Profit attributable to non-controlling interests	3	4
Profit attributable to owners of parent	1,869	3,078

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	1,873	3,083
Other comprehensive income		
Valuation difference on available-for-sale securities	(657)	1,045
Foreign currency translation adjustment	739	160
Remeasurements of defined benefit plans, net of tax	(76)	(67)
Share of other comprehensive income of entities accounted for using equity method	594	456
Total other comprehensive income	600	1,595
Comprehensive income	2,473	4,678
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,470	4,673
Comprehensive income attributable to non-controlling interests	3	4

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	3,177	5,003
Depreciation	1,939	2,169
Amortization of goodwill	148	222
Increase (decrease) in allowance for doubtful accounts	31	33
Increase (decrease) in provision for bonuses	(140)	269
Increase (decrease) in provision for bonuses for directors (and other officers)	(107)	(67)
Increase (decrease) in provision for share awards for directors (and other officers)	17	10
Increase (decrease) in retirement benefit liability	(121)	336
Interest and dividend income	(180)	(181)
Interest expenses	110	132
Loss (gain) on sale of investment securities	(401)	(15)
Loss (gain) on disposal of non-current assets	5	33
Share of loss (profit) of entities accounted for using equity method	310	187
Decrease (increase) in trade receivables and contract assets	5,667	4,901
Decrease (increase) in inventories	(5,492)	(4,726)
Increase (decrease) in trade payables	817	(4,239)
Other, net	(807)	1,279
Subtotal	4,972	5,348
Interest and dividends received	210	211
Interest paid	(110)	(131)
Income taxes paid	(1,955)	(2,035)
Net cash provided by (used in) operating activities	3,117	3,392
Cash flows from investing activities		
Decrease (increase) in time deposits	52	(33)
Proceeds from sale of investment securities	465	86
Purchase of investment securities	(12)	(11)
Proceeds from sale of property, plant and equipment	7	6
Purchase of property, plant and equipment	(1,406)	(2,395)
Purchase of intangible assets	(261)	(429)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(9,657)
Loan advances	(30)	(42)
Proceeds from collection of loans receivable	52	40
Other, net	(52)	204
Net cash provided by (used in) investing activities	(1,185)	(12,230)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	13,889
Proceeds from long-term borrowings	55	–
Repayments of long-term borrowings	(20)	(5)
Repayments of lease liabilities	(549)	(627)
Proceeds from sale of treasury shares	305	–
Purchase of treasury shares	(2,167)	(0)
Purchase of treasury shares of subsidiaries	–	(15)
Dividends paid	(1,341)	(1,292)
Dividends paid to non-controlling interests	(0)	(0)
Other, net	–	(17)
Net cash provided by (used in) financing activities	(3,719)	11,931
Effect of exchange rate change on cash and cash equivalents	58	(278)
Net increase (decrease) in cash and cash equivalents	(1,728)	2,814
Cash and cash equivalents at beginning of period	35,966	31,027
Cash and cash equivalents at end of period	34,237	33,842