

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



November 7, 2023

Consolidated Financial Results for the Three Months Ended September 30, 2023 (Under Japanese GAAP)

Company name: ULVAC, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 6728
 URL: <https://www.ulvac.co.jp/en/>
 Representative: Setsuo Iwashita, President and CEO
 Inquiries: Akira Umeda, Officer, General Manager of IR Department
 Telephone: +81-467-89-2024
 Scheduled date to file quarterly securities report: November 7, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for domestic institutional investors and analysts)

(Yen amounts are rounded to the nearest million, unless otherwise noted)

1. Consolidated financial results for the three months ended September 30, 2023 (from July 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	%
Three months ended								
September 30, 2023	55,038	(2.0)	2,831	(44.7)	2,924	(44.3)	1,135	(72.0)
September 30, 2022	56,182	18.5	5,120	43.4	5,245	49.2	4,053	81.5

Note: Comprehensive income For the three months ended September 30, 2023: ¥2,376 million [(20.6)%]
 For the three months ended September 30, 2022: ¥2,992 million [32.7%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
September 30, 2023	23.04	–
September 30, 2022	82.29	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2023	356,493	201,312	54.7
June 30, 2023	353,474	204,853	56.1

Reference: Equity
 As of September 30, 2023: ¥195,043 million
 As of June 30, 2023: ¥198,212 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2023	–	–	–	109.00	109.00
Fiscal year ending June 30, 2024	–				
Fiscal year ending June 30, 2024 (Forecast)		–	–	114.00	114.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending June 30, 2024 (from July 1, 2023 to June 30, 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
Six months ending December 31, 2023	113,500	1.9	8,000	(23.6)	9,000	(23.6)	5,500	(41.1)	111.66
Fiscal year ending June 30, 2024	245,000	7.7	23,000	15.3	24,500	7.1	16,000	12.9	324.82

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (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	49,355,938 shares
As of June 30, 2023	49,355,938 shares

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

As of September 30, 2023	97,607 shares
As of June 30, 2023	107,207 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended September 30, 2023	49,258,331 shares
Three months ended September 30, 2022	49,248,963 shares

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

* Proper use of earnings forecasts, and other special matters
(Cautions on forward-looking statements, etc.)

The forward-looking statements, including the earnings forecasts shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially from these forecasts due to various factors.

Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	98,399	89,220
Notes and accounts receivable - trade, and contract assets	83,538	90,658
Merchandise and finished goods	6,140	6,446
Work in process	36,485	42,734
Raw materials and supplies	19,335	21,996
Other	11,903	7,467
Allowance for doubtful accounts	(521)	(623)
Total current assets	255,280	257,899
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,915	25,499
Machinery, equipment and vehicles, net	20,399	19,296
Tools, furniture and fixtures, net	1,741	1,706
Land	8,245	8,244
Leased assets, net	3,670	3,598
Construction in progress	9,617	11,963
Total property, plant and equipment	69,588	70,306
Intangible assets		
Leased assets	23	17
Software	1,746	2,366
Other	2,568	1,995
Total intangible assets	4,336	4,377
Investments and other assets		
Investment securities	10,151	9,855
Retirement benefit asset	940	934
Deferred tax assets	6,245	5,976
Other	8,962	9,234
Allowance for doubtful accounts	(2,030)	(2,089)
Total investments and other assets	24,269	23,910
Total non-current assets	98,193	98,594
Total assets	353,474	356,493

ULVAC, Inc. (Securities code: 6728)
Consolidated Financial Results for the Three Months Ended September 30, 2023

(Millions of yen)

	As of June 30, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	47,336	48,262
Short-term borrowings	11,878	12,418
Lease liabilities	898	858
Income taxes payable	2,328	1,753
Contract liabilities	22,685	29,550
Provision for bonuses	5,072	5,342
Provision for bonuses for directors (and other officers)	368	81
Provision for product warranties	1,726	1,705
Provision for loss on orders received	313	355
Other	14,149	14,841
Total current liabilities	106,754	115,165
Non-current liabilities		
Long-term borrowings	30,080	28,303
Lease liabilities	3,037	2,997
Deferred tax liabilities	195	221
Retirement benefit liability	7,414	7,392
Provision for share awards for directors (and other officers)	311	279
Asset retirement obligations	409	411
Other	420	414
Total non-current liabilities	41,867	40,016
Total liabilities	148,620	155,181
Net assets		
Shareholders' equity		
Share capital	20,873	20,873
Capital surplus	3,912	3,912
Retained earnings	160,563	156,319
Treasury shares	(345)	(312)
Total shareholders' equity	185,003	180,791
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,036	1,648
Foreign currency translation adjustment	12,721	14,051
Remeasurements of defined benefit plans	(1,547)	(1,446)
Total accumulated other comprehensive income	13,209	14,252
Non-controlling interests	6,641	6,269
Total net assets	204,853	201,312
Total liabilities and net assets	353,474	356,493

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

Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Net sales	56,182	55,038
Cost of sales	39,728	39,775
Gross profit	16,454	15,263
Selling, general and administrative expenses	11,334	12,432
Operating profit	5,120	2,831
Non-operating income		
Interest income	63	95
Dividend income	105	149
Share of profit of entities accounted for using equity method	153	121
Other	288	303
Total non-operating income	609	669
Non-operating expenses		
Interest expenses	112	130
Foreign exchange losses	198	209
Other	173	237
Total non-operating expenses	484	576
Ordinary profit	5,245	2,924
Extraordinary losses		
Impairment losses	37	128
Total extraordinary losses	37	128
Profit before income taxes	5,208	2,796
Income taxes - current	1,320	1,038
Income taxes - deferred	707	468
Total income taxes	2,027	1,506
Profit	3,181	1,290
Profit (loss) attributable to non-controlling interests	(871)	156
Profit attributable to owners of parent	4,053	1,135

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Profit	3,181	1,290
Other comprehensive income		
Valuation difference on available-for-sale securities	213	(388)
Foreign currency translation adjustment	(492)	1,222
Remeasurements of defined benefit plans, net of tax	85	101
Share of other comprehensive income of entities accounted for using equity method	5	152
Total other comprehensive income	(189)	1,086
Comprehensive income	2,992	2,376
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,865	2,177
Comprehensive income attributable to non-controlling interests	(873)	199

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Three months ended September 30, 2022	Three months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	5,208	2,796
Depreciation	1,981	2,071
Impairment losses	37	128
Increase (decrease) in allowance for doubtful accounts	(28)	133
Increase (decrease) in provision for bonuses	(448)	234
Increase (decrease) in retirement benefit liability	53	120
Increase (decrease) in provision for share awards for directors (and other officers)	51	(32)
Increase (decrease) in provision for product warranties	156	(46)
Increase (decrease) in provision for loss on orders received	1	43
Interest and dividend income	(168)	(245)
Interest expenses	112	130
Share of loss (profit) of entities accounted for using equity method	(153)	(121)
Decrease (increase) in trade receivables	7,115	(6,053)
Decrease (increase) in inventories	(5,059)	(8,453)
Increase (decrease) in trade payables	(3,655)	150
Increase (decrease) in net contract liabilities	(663)	6,431
Increase (decrease) in accrued consumption taxes	(939)	(183)
Decrease (increase) in consumption taxes refund receivable	3,986	3,926
Other, net	2,301	2,127
Subtotal	9,888	3,156
Interest and dividends received	162	237
Interest paid	(113)	(140)
Income taxes paid	(4,831)	(1,929)
Net cash provided by (used in) operating activities	5,106	1,324
Cash flows from investing activities		
Payments into time deposits	(6,822)	(6,191)
Proceeds from withdrawal of time deposits	6,705	6,132
Purchase of property, plant and equipment and intangible assets	(3,285)	(3,592)
Other, net	71	89
Net cash provided by (used in) investing activities	(3,331)	(3,561)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	46	452
Repayments of long-term borrowings	(1,535)	(1,780)
Repayments of lease liabilities	(232)	(251)
Dividends paid	(5,957)	(5,271)
Purchase of treasury shares	(0)	–
Dividends paid to non-controlling interests	(668)	(698)
Other, net	0	–
Net cash provided by (used in) financing activities	(8,346)	(7,548)
Effect of exchange rate change on cash and cash equivalents	(143)	503
Net increase (decrease) in cash and cash equivalents	(6,714)	(9,282)
Cash and cash equivalents at beginning of period	107,106	87,317
Cash and cash equivalents at end of period	100,392	78,035