

Translation

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

November 8, 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: November 13, 2023
 Scheduled date to commence dividend payments: December 4, 2023
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2023 (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	82,117	7.7	3,085	(18.0)	6,930	10.5	4,328	22.4
Six months ended September 30, 2022	76,276	11.1	3,763	(4.0)	6,271	23.5	3,538	1.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	91.03	–
Six months ended September 30, 2022	72.24	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	204,370	118,267	53.6	2,381.78
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	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	25.00	–	45.00	70.00
Year ending March 31, 2024	–	35.00	–	–	–
Year ending March 31, 2024 (Forecast)	–	–	–	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
Full year	166,000	5.5	7,100	(23.4)	12,000	(2.3)	6,800	0.0	145.73

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 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 September 30, 2023	3,762,133 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)

Six months ended September 30, 2023	47,554,984 shares	Six months ended September 30, 2022	48,973,935 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	30,581	30,578
Trade receivables and contract assets	32,542	33,389
Electronically recorded monetary claims - operating	5,073	5,869
Merchandise and finished goods	11,606	12,064
Work in process	8,298	8,981
Raw materials and supplies	12,961	14,213
Other	6,753	7,247
Allowance for doubtful accounts	(105)	(102)
Total current assets	107,712	112,242
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,015	25,513
Machinery, equipment and vehicles, net	21,322	21,937
Other, net	14,541	16,895
Total property, plant and equipment	60,879	64,346
Intangible assets		
Goodwill	829	627
Other	1,898	1,846
Total intangible assets	2,727	2,474
Investments and other assets		
Investment securities	14,733	18,167
Other	7,289	7,245
Allowance for doubtful accounts	(109)	(106)
Total investments and other assets	21,913	25,306
Total non-current assets	85,519	92,127
Total assets	193,232	204,370

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	9,655	9,166
Electronically recorded obligations - operating	2,590	2,815
Short-term borrowings	13,624	14,340
Income taxes payable	1,855	1,471
Provision for bonuses	2,818	3,796
Other provisions	655	241
Other	13,258	14,264
Total current liabilities	44,457	46,097
Non-current liabilities		
Long-term borrowings	20,508	24,342
Provisions	485	574
Retirement benefit liability	13,120	13,150
Other	1,730	1,937
Total non-current liabilities	35,844	40,005
Total liabilities	80,302	86,102
Net assets		
Shareholders' equity		
Share capital	10,490	10,490
Capital surplus	11,819	11,819
Retained earnings	75,824	77,914
Treasury shares	(1,884)	(5,767)
Total shareholders' equity	96,249	94,457
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	518	716
Foreign currency translation adjustment	7,310	13,958
Remeasurements of defined benefit plans	340	419
Total accumulated other comprehensive income	8,170	15,094
Non-controlling interests	8,510	8,716
Total net assets	112,930	118,267
Total liabilities and net assets	193,232	204,370

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	76,276	82,117
Cost of sales	58,602	64,157
Gross profit	17,674	17,960
Selling, general and administrative expenses	13,911	14,875
Operating profit	3,763	3,085
Non-operating income		
Interest income	161	279
Dividend income	11	14
Share of profit of entities accounted for using equity method	814	1,842
Foreign exchange gains	1,235	1,621
Other	500	363
Total non-operating income	2,724	4,121
Non-operating expenses		
Interest expenses	195	245
Other	20	31
Total non-operating expenses	215	276
Ordinary profit	6,271	6,930
Extraordinary income		
Gain on sale of non-current assets	29	7
Total extraordinary income	29	7
Extraordinary losses		
Loss on sale of non-current assets	5	3
Loss on retirement of non-current assets	15	18
Total extraordinary losses	20	22
Profit before income taxes	6,281	6,915
Income taxes	1,990	1,951
Profit	4,291	4,964
Profit attributable to non-controlling interests	753	635
Profit attributable to owners of parent	3,538	4,328

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	4,291	4,964
Other comprehensive income		
Valuation difference on available-for-sale securities	71	197
Foreign currency translation adjustment	4,557	5,649
Remeasurements of defined benefit plans, net of tax	221	101
Share of other comprehensive income of entities accounted for using equity method	939	1,553
Total other comprehensive income	5,789	7,502
Comprehensive income	10,080	12,466
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,697	11,253
Comprehensive income attributable to non-controlling interests	1,383	1,213