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

November 9, 2023

Company name : Tsurumi Manufacturing Co.,Ltd.
 Listing : Tokyo Stock Exchange
 Securities code : 6351
 URL : <https://www.tsurumipump.co.jp>
 Representative : Osamu Tsujimoto, President
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Scheduled date to file quarterly securities report : November 10, 2023
 Scheduled date to commence dividend payments : December 11, 2023
 Preparation of supplementary material on quarterly financial results : Yes
 Holding of quarterly financial results briefing : None

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

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	29,719	13.9	4,103	59.8	6,949	37.6	4,822	48.0
September 30, 2022	26,086	17.8	2,567	6.0	5,049	73.2	3,258	57.6

(Note) Comprehensive income

For the six months ended September 30, 2023 : ¥7,788 million [39.1%]

For the six months ended September 30, 2022 : ¥5,599 million [107.0%]

	Earnings per share		Earnings per share (diluted)	
	Yen		Yen	
Six months ended September 30, 2023	196.63		—	
September 30, 2022	131.80		—	

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2023	104,877	85,452	80.3
March 31, 2023	99,000	78,161	77.7

(Reference) Equity

As of September 30, 2023 : ¥84,165 million

As of March 31, 2023 : ¥76,890 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 March 31, 2023	—	20.00	—	24.00	44.00
Fiscal year ending March 31, 2024	—	22.00			
Fiscal year ending March 31, 2024 (Forecast)			—	24.00	46.00

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

1. Breakdown of the second quarter-end dividend for the fiscal year ended March 31, 2023

Ordinary dividend : ¥18.00 per share

Commemorative dividend* : ¥ 2.00 per share

* Commemorative dividend have been implemented for the 25th anniversary of foundation of our Taiwan plant and its annual production volume exceeding 400,000 units.

2. Breakdown of the fiscal year-end dividend for the fiscal year ended March 31, 2023

Ordinary dividend : ¥22.00 per share

Commemorative dividend* : ¥ 2.00 per share

* Commemorative dividend have been implemented for the completion of the casting plant of Alloy Technology Co., Ltd.(subsidiary company in Japan).

3. Breakdown of the second quarter-end dividend for the fiscal year ending March 31, 2024

Ordinary dividend : ¥20.00 per share

Commemorative dividend* : ¥ 2.00 per share

* Commemorative dividend will be implemented for the acquisition of the Construction Technology Review and Certification for our newly developed product "Submersible Smashing Cutter Pumps BN series".

3. Consolidated financial results forecast for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate changes from the previous corresponding period.)

	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	58,000	3.2	7,800	7.4	9,800	9.0	6,800	8.6	276.84

(Note) Revisions to the forecast of consolidated financial results 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 . Number of issued shares at the end of the period (including treasury shares)

As of September 30, 2023: 27,500,000 shares

As of March 31, 2023: 27,500,000 shares

ii . Number of treasury shares at the end of the period

As of September 30, 2023: 2,936,640 shares

As of March 31, 2023: 2,994,467 shares

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

Six months ended September 30, 2023: 24,527,640 shares

Six months ended September 30, 2022: 24,721,396 shares

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

* Explanations of the appropriate use of financial forecasts and other special notes

The forecasts, including financial results forecast, given in this document are based on information available to the Company and on certain assumptions deemed to be reasonable at the time of the issuance of this document. And the Company does not guarantee the achievement of these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

1. Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	20,179	26,089
Notes and accounts receivable - trade, and contract assets	21,311	19,181
Securities	1,454	1,449
Inventories	17,500	17,070
Other	1,477	1,943
Allowance for doubtful accounts	(47)	(40)
Total current assets	61,876	65,693
Non-current assets		
Property, plant and equipment		
Land	8,518	9,115
Other, net	9,065	10,365
Total property, plant and equipment	17,584	19,481
Intangible assets	1,965	2,036
Investments and other assets		
Investment securities	14,789	15,137
Other	2,786	2,530
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	17,573	17,666
Total non-current assets	37,124	39,184
Total assets	99,000	104,877

(Millions of yen)

As of March 31, 2023

As of September 30, 2023

Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,727	5,486
Current portion of long-term borrowings	2	601
Income taxes payable	1,490	1,714
Provision for bonuses	1,325	1,006
Other	3,629	3,552
Total current liabilities	13,176	12,362
Non-current liabilities		
Long-term borrowings	7,101	6,500
Provision for retirement benefits for directors	199	12
Retirement benefit liability	109	109
Other	252	441
Total non-current liabilities	7,662	7,063
Total liabilities	20,839	19,425
Net assets		
Shareholders' equity		
Share capital	5,188	5,188
Capital surplus	8,028	8,105
Retained earnings	61,191	65,595
Treasury shares	(3,123)	(3,078)
Total shareholders' equity	71,285	75,810
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,739	2,231
Foreign currency translation adjustment	3,771	6,051
Remeasurements of defined benefit plans	94	71
Total accumulated other comprehensive income	5,605	8,354
Non-controlling interests	1,270	1,287
Total net assets	78,161	85,452
Total liabilities and net assets	99,000	104,877

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

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	26,086	29,719
Cost of sales	17,370	19,155
Gross profit	8,716	10,564
Selling, general and administrative expenses	6,149	6,461
Operating profit	2,567	4,103
Non-operating income		
Interest income	133	201
Dividend income	133	96
Foreign exchange gains	2,106	2,281
Share of profit of entities accounted for using equity method	—	90
Other	200	221
Total non-operating income	2,575	2,890
Non-operating expenses		
Interest expenses	2	17
Loss on redemption of securities	—	15
Loss on investments in securities	76	—
Other	14	10
Total non-operating expenses	93	43
Ordinary profit	5,049	6,949
Extraordinary losses		
Provision for loss on litigation	289	—
Total extraordinary losses	289	—
Profit before income taxes	4,759	6,949
Income taxes - current	1,424	1,836
Income taxes - deferred	35	116
Income taxes	1,459	1,952
Profit	3,300	4,997
Profit attributable to non-controlling interests	42	174
Profit attributable to owners of parent	3,258	4,822

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	3,300	4,997
Other comprehensive income		
Valuation difference on available-for-sale securities	(301)	492
Foreign currency translation adjustment	2,632	2,088
Remeasurements of defined benefits plans, net of tax	(32)	(23)
Share of other comprehensive income of entities accounted for using equity method	—	233
Total other comprehensive income	2,298	2,791
Comprehensive income	5,599	7,788
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,430	7,561
Comprehensive income attributable to non-controlling interests	168	227