

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

January 31, 2024

Company name: Scroll Corporation
 Stock exchange listing: Tokyo
 Stock code: 8005 URL <https://www.scroll.jp/>
 Representative: President Tomohisa Tsurumi
 Director, General Manager of Corporate Management Dept. Yasunori Sugimoto TEL +81-53-464-1114
 Scheduled date to file Quarterly Securities Report: February 7, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	60,800	(1.6)	4,934	(5.5)	5,094	(1.8)	3,459	(2.8)
Nine months ended December 31, 2022	61,786	(0.9)	5,224	(19.2)	5,187	(20.3)	3,558	(20.3)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	99.24		–	
Nine months ended December 31, 2022	101.91		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	52,713	33,320	63.2
As of March 31, 2023	53,200	31,997	60.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	10.00	–	38.00	48.00
Year ending March 31, 2024	–	24.00	–		
Year ending March 31, 2024 (Forecast)				18.00	42.00

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	79,500	(1.9)	4,800	(21.6)	5,000	(19.2)	3,400	(18.5)	97.66

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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: No
- (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 December 31, 2023	35,098,550 shares	As of March 31, 2023	34,981,050 shares
-------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of December 31, 2023	413,853 shares	As of March 31, 2023	9,181 shares
-------------------------	----------------	----------------------	--------------

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

Nine months ended December 31, 2023	34,856,944 shares	Nine months ended December 31, 2022	34,916,492 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	10,267	4,204
Accounts receivable - trade	11,377	13,608
Inventories	8,754	10,597
Accounts receivable - other	4,870	6,913
Other	1,367	1,184
Allowance for doubtful accounts	(487)	(562)
Total current assets	36,149	35,945
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,499	6,198
Land	5,489	5,489
Other, net	940	837
Total property, plant and equipment	12,928	12,525
Intangible assets		
Goodwill	42	10
Other	728	711
Total intangible assets	770	722
Investments and other assets		
Other	3,733	4,017
Allowance for doubtful accounts	(381)	(496)
Total investments and other assets	3,352	3,520
Total non-current assets	17,051	16,768
Total assets	53,200	52,713
Liabilities		
Current liabilities		
Accounts payable - trade	2,707	2,965
Short-term borrowings	3,000	3,000
Accounts payable - other	7,516	9,401
Income taxes payable	1,453	766
Provisions	515	392
Other	1,337	1,131
Total current liabilities	16,529	17,658
Non-current liabilities		
Long-term borrowings	3,000	–
Provisions	54	53
Retirement benefit liability	1,456	1,518
Other	162	163
Total non-current liabilities	4,673	1,735
Total liabilities	21,203	19,393

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Net assets		
Shareholders' equity		
Share capital	6,064	6,116
Capital surplus	6,993	7,045
Retained earnings	18,344	19,638
Treasury shares	(4)	(391)
Total shareholders' equity	31,396	32,409
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	566	811
Deferred gains or losses on hedges	(13)	39
Foreign currency translation adjustment	47	60
Total accumulated other comprehensive income	600	911
Total net assets	31,997	33,320
Total liabilities and net assets	53,200	52,713

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

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	61,786	60,800
Cost of sales	38,708	36,022
Gross profit	23,077	24,777
Selling, general and administrative expenses	17,852	19,842
Operating profit	5,224	4,934
Non-operating income		
Interest income	13	11
Dividend income	47	52
Gain on adjustment of accounts payable	2	41
Other	45	83
Total non-operating income	109	188
Non-operating expenses		
Interest expenses	15	11
Foreign exchange losses	127	10
Other	2	6
Total non-operating expenses	145	29
Ordinary profit	5,187	5,094
Extraordinary income		
Gain on sale of investment securities	10	15
Gain on sale of businesses	–	100
Total extraordinary income	10	115
Extraordinary losses		
Loss on retirement of non-current assets	9	15
Loss on sale of investment securities	2	–
Total extraordinary losses	12	15
Profit before income taxes	5,186	5,193
Income taxes - current	1,692	1,706
Income taxes - deferred	(64)	27
Total income taxes	1,628	1,734
Profit	3,558	3,459
Profit attributable to owners of parent	3,558	3,459

Quarterly consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	3,558	3,459
Other comprehensive income		
Valuation difference on available-for-sale securities	141	244
Deferred gains or losses on hedges	(202)	53
Foreign currency translation adjustment	26	13
Total other comprehensive income	(35)	310
Comprehensive income	3,523	3,770
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,523	3,770
Comprehensive income attributable to non-controlling interests	—	—