



Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 2024 (Under IFRS)

9th February 2024

Company name: KOKUSAI ELECTRIC CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 6525
 URL: <https://www.kokusai-electric.com/>
 Representative: Fumiyuki Kanai, President and Chief Executive Officer
 Inquiries: Takashi Hashimoto, Vice President - Corporate Strategy Division
 Telephone: +81-3-5297-8515
 Scheduled date to file quarterly securities report: 9th February 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary materials on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded to millions.)

1. Consolidated financial results for the Nine months ended 31st December 2023 (from 1st April 2023 to 31st December 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Income before income tax		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
31st December 2023	131,661	(29.1)	24,062	(46.4)	23,614	(47.5)	16,727	(47.7)
31st December 2022	185,636	(1.9)	44,918	(23.2)	44,997	(21.5)	31,966	(22.6)

	Net income attributable to owners of the parent		Comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended						
31st December 2023	16,727	(47.7)	18,433	(43.8)	72.54	70.11
31st December 2022	31,966	(22.6)	32,782	(21.9)	138.74	133.88

(2) Consolidated financial position

As of	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
31st December 2023	371,193	180,354	180,354	48.6
31st March 2023	370,263	160,881	160,881	43.5

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 31st March 2023	-	0.00	-	0.00	0.00
Fiscal year ending 31st March 2024	-	0.00	-		
Fiscal year ending 31st March 2024 (Forecast)				11.00	11.00

Note: Revisions to the forecast of cash dividends most recently announced: No

**3. Forecasts of consolidated financial results for the fiscal year ending 31st March 2024
(from 1st April 2023 to 31st March 2024)**

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Income before income tax		Net income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending 31st March 2024	180,000	(26.7)	29,109	(48.1)	28,280	(49.4)	20,200	(49.9)	20,200	(49.9)	87.09

Note: Revisions to the forecast of financial results most recently announced: No

※ **Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: Yes

(ii) Changes in accounting policies due to other reasons: Yes

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of 31st December 2023	231,955,113 shares
As of 31st March 2023	230,404,200 shares

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

As of 31st December 2023	- shares
As of 31st March 2023	- shares

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

As of 31st December 2023	230,603,485 shares
As of 31st December 2022	230,400,932 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

The forward-looking statements herein are based on the Company's expectations, estimations, and forecasts deemed to be reasonable at the date of publication of this document. The forward-looking statements herein include the known and unknown risks, uncertainties and other factors and actual results may be materially different from those discussed or implied in the forward-looking statements. Accordingly, the forward-looking statements herein are inherently not guarantees of future performance and results.

KOKUSAI ELECTRIC CORPORATION
Condensed quarterly consolidated statement of financial position

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	106,053	86,498
Trade and other receivables	47,477	37,219
Inventories	67,197	86,820
Other current assets	1,917	1,237
Total current assets	222,644	211,774
Non-current Assets		
Property, plant and equipment	18,775	33,556
Right-of-use assets	1,718	1,467
Goodwill	59,065	59,065
Intangible assets	62,968	58,475
Other financial assets	1,564	1,645
Deferred tax assets	943	1,170
Other non-current assets	2,586	4,041
Total non-current assets	147,619	159,419
Total assets	370,263	371,193

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Loans payable	6,000	6,750
Lease obligations	596	506
Trade and other payables	41,790	37,777
Accrued expenses	11,036	8,199
Other financial liabilities	144	856
Income tax payable	7,387	3,049
Provisions	1,998	1,962
Contract liabilities	28,918	24,427
Other current liabilities	308	172
Total current liabilities	98,177	83,698
Non-current liabilities		
Loans payable	91,500	87,750
Lease obligations	1,110	946
Retirement and severance benefits	3,032	3,116
Provisions	95	98
Deferred tax liabilities	15,396	15,104
Other non-current liabilities	72	127
Total non-current liabilities	111,205	107,141
Total liabilities	209,382	190,839
Equity		
Common stock	10,005	10,729
Capital surplus	28,341	27,952
Retained earnings	119,783	136,808
Other components of equity	2,752	4,865
Total equity attributable to owners of the parent	160,881	180,354
Total equity	160,881	180,354
Total liabilities and equity	370,263	371,193

KOKUSAI ELECTRIC CORPORATION
Condensed quarterly consolidated statement of profit or loss
Nine months ended December 31, 2023

(Millions of yen)

	Nine months ended December 31 2022	Nine months ended December 31, 2023
Revenues	185,636	131,661
Cost of sales	(108,698)	(75,755)
Gross profit	76,938	55,906
Selling, general and administrative expenses	(32,119)	(32,172)
Other income	251	425
Other expenses	(152)	(97)
Operating profit	44,918	24,062
Financial income	911	473
Financial expenses	(832)	(921)
Income before income tax	44,997	23,614
Income tax expenses	(13,031)	(6,887)
Net income	31,966	16,727
Net income attributable to:		
Owners of the parent	31,966	16,727
Net income per share		
Basic (yen)	138.74	72.54
Diluted (yen)	133.88	70.11

KOKUSAI ELECTRIC CORPORATION
Condensed quarterly consolidated statement of comprehensive income
Nine months ended December 31, 2023

(Millions of yen)

	Nine months ended December 31 2022	Nine months ended December 31, 2023
Net income	31,966	16,727
Other comprehensive income (OCI)		
Items that will not be reclassified into net income		
Net changes in financial assets measured at fair value through OCI (FVTOCI)	(13)	-
Total of items that will not be reclassified into net income	(13)	-
Items that may be reclassified into net income		
Cash flow hedges	-	(11)
Foreign currency translation adjustments	829	1,717
Total of items that may be reclassified into net income	829	1,706
Total other comprehensive income	816	1,706
Comprehensive income	32,782	18,433
Comprehensive income attributable to:		
Owners of the parent	32,782	18,433

KOKUSAI ELECTRIC CORPORATION
Condensed quarterly consolidated statement of cash flows
Nine months ended December 31, 2023

(Millions of yen)

	Nine months ended December 31 2022	Nine months ended December 31, 2023
Cash flows from operating activities		
Net income	31,966	16,727
Depreciation and amortization	7,692	8,100
Income tax expense	13,031	6,887
Financial income	(911)	(473)
Financial expenses	832	921
Increase in inventories	(16,223)	(18,738)
Decrease (increase) in trade and other receivables	(10,608)	10,738
Increase (decrease) in trade and other payables	6,611	(14,473)
Other	6,177	(5,604)
Subtotal	38,567	4,085
Interest and dividends received	120	224
Interest paid	(730)	(633)
Income taxes paid	(21,138)	(10,628)
Net cash provided by (used in) operating activities	16,819	(6,952)
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,048)	(10,360)
Purchase of intangible assets	(687)	(298)
Other	27	22
Net cash provided by (used in) investing activities	(4,708)	(10,636)
Cash flows from financing activities		
Repayment of Loans payable	(2,250)	(3,000)
Repayment of lease obligations	(428)	(484)
Other	(30)	216
Net cash provided by (used in) financing activities	(2,708)	(3,268)
Effect of exchange rate changes on cash and cash equivalents	601	1,301
Net increase (decrease) in cash and cash equivalents	10,004	(19,555)
Cash and cash equivalents at beginning of period	108,399	106,053
Cash and cash equivalents at end of period	118,403	86,498