

Consolidated Financial Results for the Fiscal Year Ended December 31, 2023 (Japanese Accounting Standards)

This document has been prepared as a guide for non-Japanese investors and contains forward-looking statements that are based on managements' estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations. This document is a translation of excerpts taken from the Japanese language original. All numbers are rounded down to the nearest until in accordance with standard Japanese practice. Please be advised that the Company cannot accept responsibility for investment decisions made based on the information contained in this report.

February 13, 2024

Company Name: KITZ CORPORATION
 Stock Listing: Tokyo Stock Exchange Stock Code: 6498
 URL: <https://www.kitz.com/en>
 President and Chief Executive Officer: Makoto Kohno
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 Date of General Meeting of Shareholders (Planned): March 28, 2024
 Date of Dividend Payment (Planned): March 11, 2024
 Date of Financial Statement Filing (Planned): March 28, 2024
 Availability of Financial Results Supplementary Presentation Materials: Yes
 Financial Results Presentation Meeting: Yes (For institutional investors and analysts)

(Figures of less than one million yen are rounded down to the nearest decimal)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2023 (Jan. 1, 2023 – Dec. 31, 2023)

(1) Consolidated Operating Results

(% figures represent year-over-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to owners of the parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2023 December	166,941	4.4	13,687	23.9	14,452	20.0	10,591	23.9
FY2022 December	159,914	17.8	11,051	22.9	12,045	34.2	8,549	72.6

(Note) Comprehensive Income: FY2023 December: ¥14,538 million (19.5%) FY2022 December: ¥12,163 million (64.7%)

	Net Income per Share	Net Income per Share (Diluted)	Return on Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Net Sales
	Yen	Yen	%	%	%
FY2023 December	118.07	—	11.1	9.1	8.2
FY2022 December	95.35	95.32	10.0	8.1	6.9

(Reference) Equity in earnings (losses) of affiliated companies: FY2023 December: — FY2022 December: —

(Note) Diluted earnings per share for the fiscal year ended December 31, 2023 are not shown in the above table, as there are no residual shares.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million Yen	Million Yen	%	Yen
FY2023 December	166,693	102,207	60.5	1,124.39
FY2022 December	152,569	91,042	59.0	1,002.69

(Reference) Equity: FY2023 December: ¥100,874 million FY2022 December: ¥89,941 million

(3) Consolidated Cash Flows

	Net Cash Provided by Operating Activities	Net Cash Used in Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at the end of Fiscal Year
	Million Yen	Million Yen	Million Yen	Million Yen
FY2023 December	16,007	(7,407)	(5,189)	28,398
FY2022 December	8,541	(7,471)	(5,567)	24,076

2. Dividends

	Annual Dividend					Total Dividends from Surplus (Annual)	Payout Ratio (Consolidated)	Dividends to Net Assets Ratio (Consolidated)
	1Q	2Q	3Q	4Q	Total			
	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
FY2022 December	—	15.00	—	18.00	33.00	2,973	34.6	3.5
FY2023 December	—	18.00	—	23.00	41.00	3,694	34.7	3.9
FY2024 December (Planned)	—	19.00	—	22.00	41.00		34.7	

Partial Release

3. Consolidated Financial Forecasts for the Fiscal Year Ending December 31, 2024 (Jan. 1, 2024–Dec. 31, 2024)

(% figures represent year-over-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income attributable to owners of the parent		Net Income per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
H1 FY2024 December	83,600	2.9	6,600	0.4	6,840	(5.5)	5,000	(8.8)	55.74
FY 2024 December	170,000	1.8	14,500	5.9	14,800	2.4	10,600	0.1	118.17

* Annotation

(1) Changes in significant subsidiaries (Changes in subsidiaries affecting the scope of consolidation): Yes

Newly consolidated: 1 (Company name: KITZ Corporation of Vietnam Co., Ltd.)

Removed from consolidation: None

(2) Changes in accounting methods, procedures and presentations concerning preparation of consolidated financial statements

1. Changes accompanying revisions in accounting standards: None

2. Other changes: None

3. Changes in accounting estimates: None

4. Redisplay of revisions: None

(3) Number of shares outstanding (Common stock)

1. Shares issued as of term end (including treasury stock)

FY2023 December	90,396,511 shares	FY2022 December	90,396,511 shares
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2. Treasury stock as of term end

FY2023 December	681,641 shares	FY2022 December	697,124 shares
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3. Average during the term

FY2023 December	89,696,278 shares	FY2022 December	89,663,099 shares
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(Note) The shares held within the BIP trust accounts are included in term-end treasury stocks. (FY2023 December: 396,076 shares, FY2022 December: 418,587 shares)

Furthermore, the shares held within the BIP trust accounts are included in treasury stocks that are deducted in the calculation of the average number of shares for the period. (FY2023 December: 404,142 shares, FY2022 December: 444,618 shares)

(Reference) Non-Consolidated Financial Results for Fiscal Year Ended December 31, 2023 (Jan. 1, 2023 – Dec. 31, 2023)

(1) Non-Consolidated Operating Results

(% figures represent year-over-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2023 December	72,169	4.1	2,711	31.1	7,251	55.7	6,957	68.8
FY2022 December	69,338	15.5	2,067	(8.6)	4,657	(7.1)	4,120	54.8

	Net Income per Share	Net Income per Share (Diluted)
	Yen	Yen
FY2023 December	77.56	—
FY2022 December	45.95	45.94

(Note) Diluted earnings per share for the fiscal year ended December 31, 2023 are not shown in the above table, as there are no residual shares.

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million Yen	Million Yen	%	Yen
FY2023 December	111,108	59,616	53.7	664.50
FY2022 December	107,706	55,645	51.6	620.13

(Reference) Equity: FY2023 December: ¥59,616 million FY2022 December: ¥55,625 million

<Reason for Difference in Non-consolidated Operating Results from the Previous Fiscal Year>

Net income increased over the previous fiscal year due to an increase in dividends income from subsidiaries, and sales of investment securities.

* This document is not subject to audit procedures.

* Explanations regarding the appropriate uses of our earnings projections and other information:

The future prospects of the business results, etc., described in this document are based on currently available information and certain premises that are judged to be rational at the time of writing, and are not intended as a guarantee that the Company will achieve these targets. Actual performance and other results may differ significantly due to various factors.

* Investor presentation materials relating to our financial results are expected to be published on our corporate website on or after February 16, 2024.