

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)

February 14, 2024

Company name: Titan Kogyo, Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4098 URL <http://www.titankogyo.co.jp>  
 Representative: President Yasuo Inoue  
 Inquiries: Director Atsushi Nishida TEL 0836-31-4155  
 Scheduled date to file Quarterly Securities Report: February 14, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 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	5,438	(5.7)	(578)	–	(503)	–	(381)	–
Nine months ended December 31, 2022	5,770	(0.4)	251	(16.8)	215	(6.4)	168	(11.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	(128.76)	–
Nine months ended December 31, 2022	56.89	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	16,008	6,656	39.0
As of March 31, 2023	16,756	7,099	39.9

### 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	–	0.00	–	20.00	20.00
Year ending March 31, 2024	–	0.00	–		
Year ending March 31, 2024 (Forecast)				10.00	10.00

### 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	7,700	(6.7)	(510)	–	(450)	–	(480)	–	(161.86)

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	3,027,626 shares	As of March 31, 2023	3,027,626 shares
-------------------------	------------------	----------------------	------------------

Number of treasury shares at the end of the period

As of December 31, 2023	60,202 shares	As of March 31, 2023	65,272 shares
-------------------------	---------------	----------------------	---------------

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

Nine months ended December 31, 2023	2,965,458 shares	Nine months ended December 31, 2022	2,961,002 shares
-------------------------------------	------------------	-------------------------------------	------------------

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	402	736
Notes and accounts receivable - trade	1,463	1,459
Electronically recorded monetary claims - operating	439	344
Merchandise and finished goods	3,277	3,128
Work in process	1,158	1,035
Raw materials and supplies	1,106	937
Other	28	39
Total current assets	7,875	7,681
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,426	3,308
Machinery, equipment and vehicles, net	3,851	3,556
Other, net	352	326
Total property, plant and equipment	7,630	7,191
Intangible assets	12	9
Investments and other assets		
Other	1,238	1,128
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	1,237	1,127
Total non-current assets	8,881	8,327
Total assets	16,756	16,008

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	660	599
Electronically recorded obligations - operating	295	252
Short-term borrowings	3,150	3,300
Current portion of long-term borrowings	552	562
Income taxes payable	31	7
Provision for bonuses	162	50
Provision for business restructuring	35	34
Asset retirement obligations	14	–
Other	460	741
<b>Total current liabilities</b>	<b>5,363</b>	<b>5,549</b>
<b>Non-current liabilities</b>		
Long-term borrowings	3,711	3,293
Retirement benefit liability	578	505
Asset retirement obligations	4	4
<b>Total non-current liabilities</b>	<b>4,293</b>	<b>3,802</b>
<b>Total liabilities</b>	<b>9,656</b>	<b>9,352</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,443	3,443
Capital surplus	402	402
Retained earnings	2,556	2,107
Treasury shares	(117)	(108)
<b>Total shareholders' equity</b>	<b>6,284</b>	<b>5,845</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	333	437
Foreign currency translation adjustment	102	–
Remeasurements of defined benefit plans	(43)	(35)
<b>Total accumulated other comprehensive income</b>	<b>393</b>	<b>402</b>
<b>Non-controlling interests</b>	<b>422</b>	<b>409</b>
<b>Total net assets</b>	<b>7,099</b>	<b>6,656</b>
<b>Total liabilities and net assets</b>	<b>16,756</b>	<b>16,008</b>

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	5,770	5,438
Cost of sales	4,729	5,194
Gross profit	1,040	243
Selling, general and administrative expenses	789	822
Operating profit (loss)	251	(578)
Non-operating income		
Interest income	0	0
Dividend income	25	25
Share of profit of entities accounted for using equity method	–	5
Foreign exchange gains	0	73
Subsidies for employment adjustment	8	–
Other	5	16
Total non-operating income	40	121
Non-operating expenses		
Interest expenses	33	32
Share of loss of entities accounted for using equity method	0	–
Loss on suspension of production	33	–
Other	9	13
Total non-operating expenses	77	45
Ordinary profit (loss)	215	(503)
Extraordinary income		
Gain on sale of non-current assets	4	–
Total extraordinary income	4	–
Extraordinary losses		
Loss on retirement of non-current assets	8	1
Loss on sale of shares of subsidiaries and associates	–	34
Total extraordinary losses	8	36
Profit (loss) before income taxes	211	(539)
Income taxes - current	9	2
Income taxes - deferred	75	(146)
Total income taxes	84	(144)
Profit (loss)	126	(394)
Loss attributable to non-controlling interests	(41)	(12)
Profit (loss) attributable to owners of parent	168	(381)

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit (loss)	126	(394)
Other comprehensive income		
Valuation difference on available-for-sale securities	53	103
Remeasurements of defined benefit plans, net of tax	14	8
Share of other comprehensive income of entities accounted for using equity method	(4)	(102)
Total other comprehensive income	63	8
Comprehensive income	190	(385)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	232	(372)
Comprehensive income attributable to non-controlling interests	(41)	(12)