

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)

November 10, 2023

Company name: TOKYO RADIATOR MFG. CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 7235 URL <http://www.tokyo-radiator.co.jp/>
 Representative: President Hisao Ochiai
 Inquiries: Executive Corporate Officer Kazuhiko Yano TEL 0466-87-1231
 Scheduled date to file Quarterly Securities Report: November 10, 2023
 Scheduled date to commence dividend payments: December 6, 2023
 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 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	16,230	7.9	651	–	728	–	551	–
Six months ended September 30, 2022	15,037	15.4	(69)	–	51	(63.0)	(232)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	58.76	–
Six months ended September 30, 2022	(16.19)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	30,772	20,335	59.9
As of March 31, 2023	29,168	19,149	59.4

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	–	8.00	–	8.00	16.00
Year ending March 31, 2024	–	9.00			
Year ending March 31, 2024 (Forecast)			–	9.00	18.00

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	33,000	3.8	900	9.3	1,000	17.8	550	–	58.59

Note: The average number of shares outstanding during fiscal year ended 31 March 2024, which is the basis for calculating "Earnings per share," is the number of shares issued as of March 31, 2023 (excluding treasury stock)

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 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 September 30, 2023	14,400,000 shares	As of March 31, 2023	14,400,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	5,012,107 shares	As of March 31, 2023	5,012,107 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	9,387,893 shares	Six months ended September 30, 2022	14,387,917 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	6,913,007	6,611,816
Notes and accounts receivable - trade, and contract assets	5,491,375	5,424,166
Electronically recorded monetary claims - operating	1,050,852	3,065,640
Merchandise and finished goods	1,146,948	1,202,227
Work in process	526,493	529,955
Raw materials and supplies	2,468,420	2,149,171
Income taxes refund receivable	36,911	26,962
Other	516,285	472,658
Total current assets	18,150,294	19,482,598
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,220,265	6,285,133
Accumulated depreciation	(3,596,905)	(3,715,129)
Buildings and structures, net	2,623,360	2,570,004
Machinery, equipment and vehicles	17,477,738	17,943,676
Accumulated depreciation	(13,198,453)	(13,539,402)
Machinery, equipment and vehicles, net	4,279,284	4,404,274
Tools, furniture and fixtures	7,166,564	7,442,222
Accumulated depreciation	(5,994,143)	(6,360,711)
Tools, furniture and fixtures, net	1,172,421	1,081,510
Land	1,106,558	1,106,558
Construction in progress	225,941	237,996
Total property, plant and equipment	9,407,566	9,400,344
Intangible assets	202,887	171,970
Investments and other assets		
Investment securities	1,285,929	1,596,915
Deferred tax assets	57,219	66,219
Other	79,448	66,126
Allowance for doubtful accounts	(15,000)	(11,500)
Total investments and other assets	1,407,597	1,717,761
Total non-current assets	11,018,051	11,290,076
Total assets	29,168,346	30,772,674

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,177,749	2,594,015
Electronically recorded obligations - operating	2,717,481	2,938,303
Short-term borrowings	–	1,500,000
Accrued expenses	1,428,910	1,175,589
Income taxes payable	87,438	95,834
Provision for product warranties	35,632	36,043
Provision for loss on special claims	449,525	167,033
Notes payable - facilities	4,577	396
Electronically recorded obligations - non-operating	281,926	141,802
Accounts payable - facilities	209,694	20,527
Other	371,083	442,811
Total current liabilities	8,764,019	9,112,357
Non-current liabilities		
Retirement benefit liability	129,014	114,169
Deferred tax liabilities	931,826	1,001,455
Other	194,152	209,483
Total non-current liabilities	1,254,993	1,325,107
Total liabilities	10,019,013	10,437,465
Net assets		
Shareholders' equity		
Share capital	1,317,600	1,317,600
Capital surplus	778,300	778,300
Retained earnings	16,842,178	17,318,751
Treasury shares	(3,704,603)	(3,704,603)
Total shareholders' equity	15,233,474	15,710,048
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	577,438	779,017
Foreign currency translation adjustment	1,371,318	1,807,466
Remeasurements of defined benefit plans	133,877	125,897
Total accumulated other comprehensive income	2,082,634	2,712,381
Non-controlling interests	1,833,223	1,912,779
Total net assets	19,149,332	20,335,209
Total liabilities and net assets	29,168,346	30,772,674

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	15,037,546	16,230,107
Cost of sales	13,594,013	14,127,277
Gross profit	1,443,533	2,102,830
Selling, general and administrative expenses	1,513,259	1,450,983
Operating profit (loss)	(69,726)	651,847
Non-operating income		
Interest income	41,433	71,115
Dividend income	28,367	33,816
Foreign exchange gains	25,982	–
Rental income	1,291	1,364
Commission income	4,974	4,905
Subsidies for employment adjustment	9,693	–
Other	18,347	8,315
Total non-operating income	130,090	119,517
Non-operating expenses		
Interest expenses	8,116	8,081
Foreign exchange losses	–	27,818
Loss on sale of trade receivables	–	6,336
Other	884	299
Total non-operating expenses	9,001	42,537
Ordinary profit	51,363	728,827
Extraordinary income		
Gain on sale of non-current assets	15	16
Total extraordinary income	15	16
Extraordinary losses		
Loss on retirement of non-current assets	1,746	6,859
Total extraordinary losses	1,746	6,859
Profit before income taxes	49,633	721,984
Income taxes - current	172,489	113,690
Income taxes - deferred	54,549	(32,102)
Total income taxes	227,039	81,587
Profit (loss)	(177,406)	640,396
Profit attributable to non-controlling interests	55,554	88,719
Profit (loss) attributable to owners of parent	(232,960)	551,676

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit (loss)	(177,406)	640,396
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,554)	201,579
Foreign currency translation adjustment	1,234,467	541,915
Remeasurements of defined benefit plans, net of tax	(30,125)	(7,979)
Total other comprehensive income	1,196,787	735,514
Comprehensive income	1,019,381	1,375,910
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	747,011	1,181,424
Comprehensive income attributable to non-controlling interests	272,369	194,486