

## PUNCH INDUSTRY (6165)

| Consolidated Fiscal Year<br>(Million Yen) |  | Sales  | Operating Profit | Recurring Profit | Profit Attributable to Owners of Parent | EPS (Yen) | DPS (Yen) | BPS (Yen) |
|---|--|--------|------------------|------------------|---|-----------|-----------|-----------|
| FY03/2021                                 |  | 32,462 | 1,613            | 1,676            | 477                                     | 21.90     | 2.00      | 568.26    |
| FY03/2022                                 |  | 39,358 | 3,041            | 3,007            | 2,040                                   | 93.36     | 13.00     | 737.40    |
| FY03/2023CoE                              |  | 44,300 | 3,100            | 3,070            | 1,850                                   | 82.57     | 13.00     | -         |
| FY03/2022                                 |  | YoY    | 21.2%            | 88.5%            | 79.4%                                   | 327.2%    | -         | -         |
| FY03/2023CoE                              |  | YoY    | 12.6%            | 1.9%             | 2.1%                                    | (9.3%)    | -         | -         |
| Consolidated Quarter<br>(Million Yen)     |  | Sales  | Operating Profit | Recurring Profit | Profit Attributable to Owners of Parent | EPS (Yen) | DPS (Yen) | BPS (Yen) |
| Q1 FY03/2022                              |  | 9,278  | 796              | 761              | 526                                     | -         | -         | -         |
| Q2 FY03/2022                              |  | 10,245 | 971              | 974              | 732                                     | -         | -         | -         |
| Q3 FY03/2022                              |  | 9,849  | 802              | 807              | 519                                     | -         | -         | -         |
| Q4 FY03/2022                              |  | 9,985  | 471              | 463              | 262                                     | -         | -         | -         |
| Q1 FY03/2023                              |  | 10,234 | 705              | 698              | 427                                     | -         | -         | -         |
| Q1 FY03/2023                              |  | YoY    | 10.3%            | (11.4%)          | (8.3%)                                  | (18.7%)   | -         | -         |

Source: Company Data, WRJ Calculation

### 1.0 Results Update (15 August 2022)

#### Increased Procurement Cost


On 9 August 2022, PUNCH INDUSTRY, manufacturing and selling parts of molds & dies in Japan and overseas, released its Q1 FY03/2023 results. It has been revealed that prospective earnings for FY03/2023 are not to increase as much as expected by initial Company forecasts (announced on 13 May 2022) due to increased procurement cost given prices of raw materials and economic resources higher than expected. Nevertheless, the Company says that the prospects do not change that it will continue seeing increased sales and operating profit for FY03/2023 and renew record highs since listing for each as it did for FY03/2022. Yen's depreciation (Chinese yuan's appreciation) has made progress more than initially assumed, bringing in some add-ons to sales, but bringing in an issue for manufacturing subsidiaries based in China to suffer from a worsening in profitability at the same time. Thus, yen's depreciation will not generate positive impacts to earnings, according to the Company. Meanwhile, the Company is looking to a full-fledged effect from revision on selling price for its products in line with increased procurement cost for Q3 and thereafter, but it appears that the current full-year Company forecasts are going for an inevitable decline in gross profit margin for the Company as a whole for FY03/2023. Still, the Company, being keen on returning earnings to shareholders, says that it will pay annual dividend of ¥13.00 per share, implying payout ratio of 15.7%, for FY03/2023, as initially planned.

- The Company's business model, etc.: [PUNCH INDUSTRY \(6165\) Focus on FA Domain \(12 July 2022\)](#)

IR representative: Hayato Matsuda, Corporate Strategy Planning Office ([info-corp@punch.co.jp](mailto:info-corp@punch.co.jp))

## 2.0 Company Profile

### Manufacturing and Selling Parts of Molds & Dies in Japan and Overseas

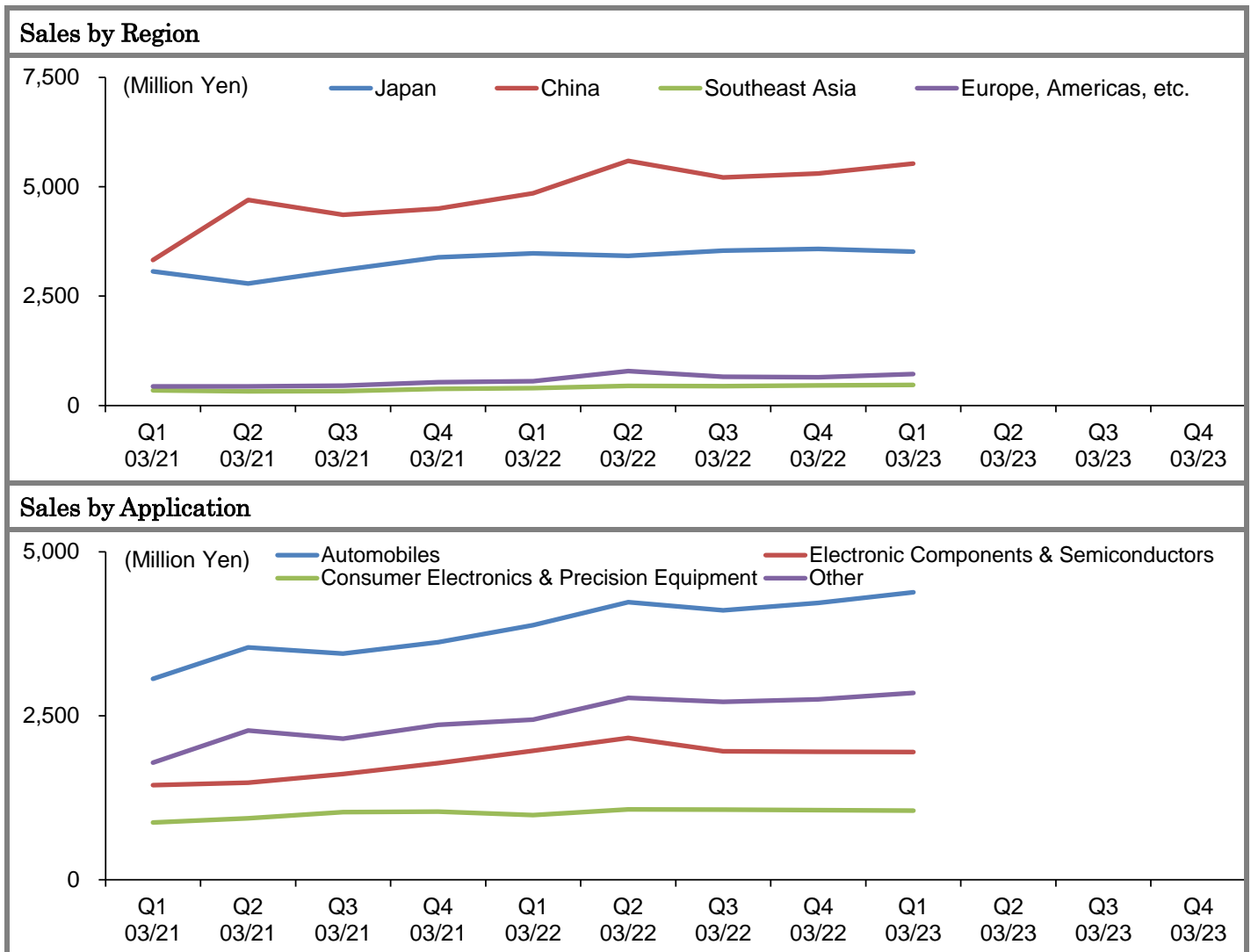
|                         |   |  |
|-------------------------|---|--|
| <b>Company Name</b>     | PUNCH INDUSTRY CO., LTD.<br><a href="#">Company Website</a><br><a href="#">IR Information</a><br><a href="#">Share price (Japanese)</a>   |  |
| <b>Established</b>      | 29 March 1975   |  |
| <b>Listing</b>          | 4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 6165)<br>14 March 2014: Tokyo Stock Exchange 1st section<br>20 December 2012: Tokyo Stock Exchange 2nd section   |  |
| <b>Capital</b>          | ¥2,987m (as of the end of June 2022)  |  |
| <b>No. of Shares</b>    | 22,532,400 shares, including 275,868 treasury shares (as of the end of June 2022)   |  |
| <b>Main Features</b>    | <ul style="list-style-type: none"> <li>● Customers of collective 15,000 or more in the number, market share the second largest on a global basis (estimated by the Company)</li> <li>● Ranked the second in Japan for market share and the first in China</li> <li>● Supplying high-value-added special order products to manufacturers of molds and dies, while selling catalog products at the same time</li> </ul> |  |
| <b>Segment</b>          | I . Parts of Molds & Dies Business  |  |
| <b>Representative</b>   | Representative Director, President and CEO: Tetsuji Morikubo  |  |
| <b>Shareholders</b>     | MT Kosan 17.04%, Caceis Bank Germany Customer Acc. 10.85%, Master Trust Bank of Japan, T. 9.54% (as of the end of March 2022, but for treasury shares)  |  |
| <b>Head Office</b>      | Shinagawa-ku, Tokyo, JAPAN  |  |
| <b>No. of Personnel</b> | Consolidated:3,979, Parent:927 (as of the end of March 2022)  |  |

Source: Company Data

## 3.0 Recent Trading and Prospects

### Q1 FY03/2023

For Q1 FY03/2023, sales came in at ¥10,234m (up 10.3% YoY), operating profit ¥705m (down 11.4%), recurring profit ¥698m (down 8.3%) and profit attributable to owners of parent ¥427m (down 18.7%), while operating profit margin 6.9% (down 1.7% points). At the same time, gross profit came in at ¥2,891m (up 4.9%) and SG&A expenses ¥2,185m (up 11.5%), implying gross profit margin of 28.3% (down 1.5% points) and sales to SG&A expenses ratio of 21.4% (up 0.2% points).



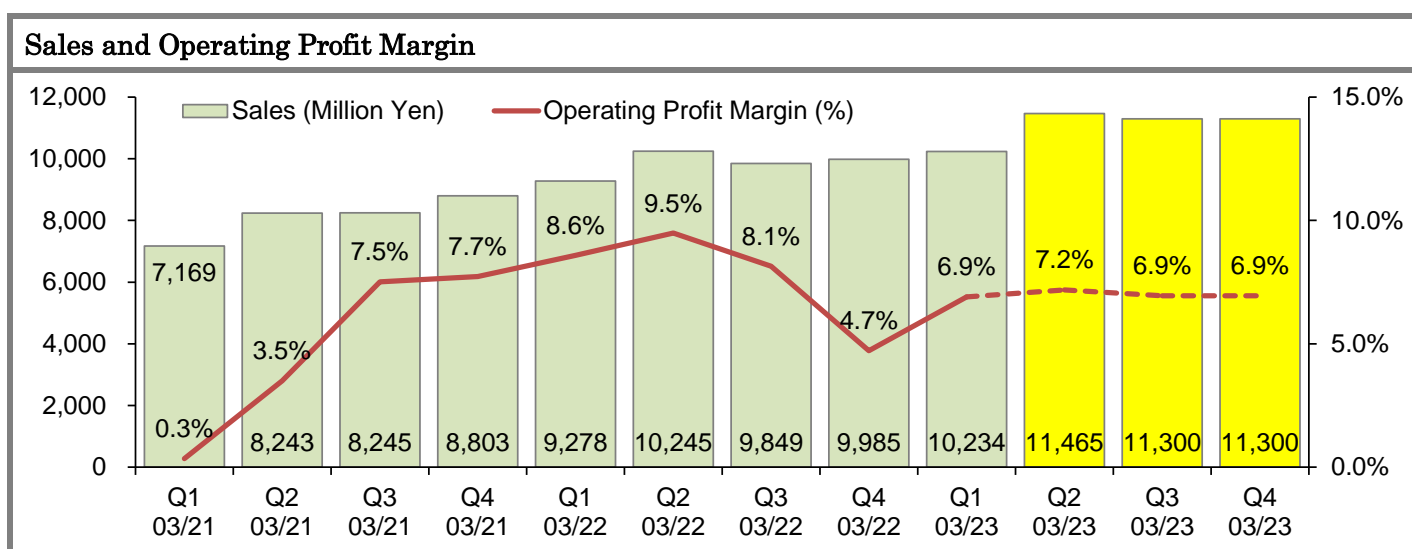
Source: Company Data, WRJ Calculation

Sales in Japan came in at ¥3,516m (up 1.2%), sales in China ¥5,528m (up 13.9% and/or up 0.8% on a local currency basis), sales in Southeast Asia ¥471m (up 19.6%) and sales in Europe, Americas, etc. ¥717m (up 28.9%). In other words, sales increased in all the regions. By application, meanwhile, sales increased across the board with the exception of Electronic Components & Semiconductors. The reason cited for slowing sales of Electronic Components & Semiconductor is the impact from the shortage of semiconductors being generated.

For the reason why gross profit margin for the Company as a whole declined, the Company says that it sees increased procurement cost given prices of raw materials and economic resources higher than expected. On top of this, the Company also says that yen's depreciation (Chinese yuan's appreciation) progressed more than expected is bringing in an issue for manufacturing subsidiaries based in China to suffer from a worsening in profitability. With respect to the increase in SG&A expenses, the Company says that this is basically due to increased expenses to increase in line with increase of sales, while another factor is that yen's depreciation (Chinese yuan's appreciation) progressed more than expected is generating an add-on to expenses.

### FY03/2023 Company Forecasts

FY03/2023 Company forecasts (announced on 9 August 2022) are going for prospective sales of ¥44,300m (up 12.6% YoY), operating profit of ¥3,100m (up 1.9%), recurring profit of ¥3,070m (up 2.1%) and profit attributable to owners of parent of ¥1,850m (down 9.3%), while operating profit margin of 7.0% (down 0.7% points).



Source: Company Data, WRJ Calculation (Q3 and Q4 FY03/2023: H2 Company forecasts, pro rata)

When compared with assumptions of initial Company forecasts (announced on 13 May 2022), prospective sales have been revised up by ¥800m (1.8%), while operating profit revised down by ¥200m (6.1%) and recurring profit revised down also by ¥200m (6.1%). With respect to profit attributable to owners of parent, Company forecasts have been revised down a bit more, i.e., by ¥250m (11.9%), as the current Company forecasts newly assume additional impairment loss of ¥40m related to facilities in Japan. However, Company forecasts have remained unchanged for prospective annual dividend, going for ¥13.00 per share, implying payout ratio of 15.7%, for FY03/2023, as initially planned. By the way, initial Company forecasts assumed ¥18.50 per Chinese yuan (yen to be depreciated by 8.6% YoY) versus ¥19.00 (11.6%) for the current Company forecasts.

The current Company forecasts assume prospective sales by region as follows: Sales in Japan are assumed at ¥14,600m (up 4.1%), sales in China ¥24,500m (up 16.9% and/or up 5.8% on a local currency basis), sales in Southeast Asia ¥2,000m (up 14.6%) and sales in Europe, North America, etc. ¥3,100m (up 17.4%). When compared with those of initial Company forecasts, it is suggested that prospective sales in China have been revised up on the occasion of yen's depreciation (Chinese yuan's appreciation) and sales in Europe, North America, etc. have been marginally revised up at the same time.

## 4.0 Financial Statements

### Income Statement (Cumulative / Quarterly)

| Income Statement                                 | Cons.Act     | Cons.Act      | Cons.Act      | Cons.Act      | Cons.Act      | Cons.Act | Cons.Act | Cons.Act | Cons.Act | YoY         |
|--|--------------|---------------|---------------|---------------|---------------|----------|----------|----------|----------|-------------|
| (Million Yen)                                    | Q1           | Q1 to Q2      | Q1 to Q3      | Q1 to Q4      | Q1            | Q1 to Q2 | Q1 to Q3 | Q1 to Q4 |          | Net Chg.    |
|  | 03/2022      | 03/2022       | 03/2022       | 03/2022       | 03/2023       | 03/2023  | 03/2023  | 03/2023  |          |             |
| <b>Sales</b>                                     | <b>9,278</b> | <b>19,523</b> | <b>29,372</b> | <b>39,358</b> | <b>10,234</b> | -        | -        | -        | -        | <b>+955</b> |
| Cost of Sales                                    | 6,521        | 13,659        | 20,613        | 27,913        | 7,343         | -        | -        | -        | -        | +821        |
| Gross Profit                                     | 2,756        | 5,864         | 8,759         | 11,444        | 2,891         | -        | -        | -        | -        | +134        |
| SG&A Expenses                                    | 1,960        | 4,095         | 6,188         | 8,403         | 2,185         | -        | -        | -        | -        | +225        |
| <b>Operating Profit</b>                          | <b>796</b>   | <b>1,768</b>  | <b>2,570</b>  | <b>3,041</b>  | <b>705</b>    | -        | -        | -        | -        | <b>(90)</b> |
| Non Operating Balance                            | (34)         | (32)          | (26)          | (33)          | (7)           | -        | -        | -        | -        | +27         |
| <b>Recurring Profit</b>                          | <b>761</b>   | <b>1,736</b>  | <b>2,543</b>  | <b>3,007</b>  | <b>698</b>    | -        | -        | -        | -        | <b>(63)</b> |
| Extraordinary Balance                            | (30)         | (48)          | (66)          | (159)         | (58)          | -        | -        | -        | -        | (27)        |
| Profit before Income Taxes                       | 731          | 1,687         | 2,477         | 2,847         | 640           | -        | -        | -        | -        | (90)        |
| Total Income Taxes                               | 203          | 426           | 697           | 802           | 210           | -        | -        | -        | -        | +6          |
| Profit Attributable to Non-Controlling Interests | 0            | 1             | 2             | 4             | 2             | -        | -        | -        | -        | +1          |
| <b>Profit Attributable to Owners of Parent</b>   | <b>526</b>   | <b>1,258</b>  | <b>1,778</b>  | <b>2,040</b>  | <b>427</b>    | -        | -        | -        | -        | <b>(98)</b> |
| Sales YoY  | +29.4%       | +26.7%        | +24.2%        | +21.2%        | +10.3%        | -        | -        | -        | -        | -           |
| Operating Profit YoY                             | -            | +464.7%       | +175.5%       | +88.5%        | (11.4%)       | -        | -        | -        | -        | -           |
| Recurring Profit YoY                             | -            | +365.7%       | +153.0%       | +79.4%        | (8.3%)        | -        | -        | -        | -        | -           |
| Profit Attributable to Owners of Parent YoY      | -            | -             | -             | +327.2%       | (18.7%)       | -        | -        | -        | -        | -           |
| Gross Profit Margin                              | 29.7%        | 30.0%         | 29.8%         | 29.1%         | 28.3%         | -        | -        | -        | -        | (1.5%)      |
| Sales to SG&A Expenses Ratio                     | 21.1%        | 21.0%         | 21.1%         | 21.4%         | 21.4%         | -        | -        | -        | -        | +0.2%       |
| Operating Profit Margin                          | 8.6%         | 9.1%          | 8.8%          | 7.7%          | 6.9%          | -        | -        | -        | -        | (1.7%)      |
| Recurring Profit Margin                          | 8.2%         | 8.9%          | 8.7%          | 7.6%          | 6.8%          | -        | -        | -        | -        | (1.4%)      |
| Profit Attributable to Owners of Parent Margin   | 5.7%         | 6.4%          | 6.1%          | 5.2%          | 4.2%          | -        | -        | -        | -        | (1.5%)      |
| Total Income Taxes / Profit before Income Taxes  | 27.9%        | 25.3%         | 28.1%         | 28.2%         | 32.9%         | -        | -        | -        | -        | +5.0%       |
| Income Statement                                 | Cons.Act     | Cons.Act      | Cons.Act      | Cons.Act      | Cons.Act      | Cons.Act | Cons.Act | Cons.Act | Cons.Act | YoY         |
| (Million Yen)                                    | Q1           | Q2            | Q3            | Q4            | Q1            | Q2       | Q3       | Q4       |          | Net Chg.    |
|  | 03/2023      | 03/2023       | 03/2023       | 03/2023       | 03/2023       | 03/2023  | 03/2023  | 03/2023  |          |             |
| <b>Sales</b>                                     | <b>9,278</b> | <b>10,245</b> | <b>9,849</b>  | <b>9,985</b>  | <b>10,234</b> | -        | -        | -        | -        | <b>+955</b> |
| Cost of Sales                                    | 6,521        | 7,137         | 6,954         | 7,299         | 7,343         | -        | -        | -        | -        | +821        |
| Gross Profit                                     | 2,756        | 3,107         | 2,894         | 2,685         | 2,891         | -        | -        | -        | -        | +134        |
| SG&A Expenses                                    | 1,960        | 2,135         | 2,092         | 2,214         | 2,185         | -        | -        | -        | -        | +225        |
| <b>Operating Profit</b>                          | <b>796</b>   | <b>971</b>    | <b>802</b>    | <b>471</b>    | <b>705</b>    | -        | -        | -        | -        | <b>(90)</b> |
| Non Operating Balance                            | (34)         | 2             | 5             | (7)           | (7)           | -        | -        | -        | -        | +27         |
| <b>Recurring Profit</b>                          | <b>761</b>   | <b>974</b>    | <b>807</b>    | <b>463</b>    | <b>698</b>    | -        | -        | -        | -        | <b>(63)</b> |
| Extraordinary Balance                            | (30)         | (18)          | (17)          | (93)          | (58)          | -        | -        | -        | -        | (27)        |
| Profit before Income Taxes                       | 731          | 955           | 790           | 370           | 640           | -        | -        | -        | -        | (90)        |
| Total Income Taxes                               | 203          | 222           | 270           | 104           | 210           | -        | -        | -        | -        | +6          |
| Profit Attributable to Non-Controlling Interests | 0            | 0             | 0             | 2             | 2             | -        | -        | -        | -        | +1          |
| <b>Profit Attributable to Owners of Parent</b>   | <b>526</b>   | <b>732</b>    | <b>519</b>    | <b>262</b>    | <b>427</b>    | -        | -        | -        | -        | <b>(98)</b> |
| Sales YoY  | +29.4%       | +24.3%        | +19.4%        | +13.4%        | +10.3%        | -        | -        | -        | -        | -           |
| Operating Profit YoY                             | -            | +237.2%       | +29.4%        | (30.7%)       | (11.4%)       | -        | -        | -        | -        | -           |
| Recurring Profit YoY                             | -            | +165.7%       | +27.7%        | (30.9%)       | (8.3%)        | -        | -        | -        | -        | -           |
| Profit Attributable to Owners of Parent YoY      | -            | -             | +12.0%        | (53.0%)       | (18.7%)       | -        | -        | -        | -        | -           |
| Gross Profit Margin                              | 29.7%        | 30.3%         | 29.4%         | 26.9%         | 28.3%         | -        | -        | -        | -        | (1.5%)      |
| Sales to SG&A Expenses Ratio                     | 21.1%        | 20.8%         | 21.2%         | 22.2%         | 21.4%         | -        | -        | -        | -        | +0.2%       |
| Operating Profit Margin                          | 8.6%         | 9.5%          | 8.1%          | 4.7%          | 6.9%          | -        | -        | -        | -        | (1.7%)      |
| Recurring Profit Margin                          | 8.2%         | 9.5%          | 8.2%          | 4.6%          | 6.8%          | -        | -        | -        | -        | (1.4%)      |
| Profit Attributable to Owners of Parent Margin   | 5.7%         | 7.1%          | 5.3%          | 2.6%          | 4.2%          | -        | -        | -        | -        | (1.5%)      |
| Total Income Taxes / Profit before Income Taxes  | 27.9%        | 23.3%         | 34.2%         | 28.3%         | 32.9%         | -        | -        | -        | -        | +5.0%       |

Source: Company Data, WRJ Calculation

### Sales by Region (Cumulative / Quarterly)

| Sales by Region                  | Cons.Act<br>Q1 | Cons.Act<br>Q1 to Q2 | Cons.Act<br>Q1 to Q3 | Cons.Act<br>Q1 to Q4 | Cons.Act<br>Q1 | Cons.Act<br>Q1 to Q2 | Cons.Act<br>Q1 to Q3 | Cons.Act<br>Q1 to Q4 | YoY         |
|----------------------------------|----------------|----------------------|----------------------|----------------------|----------------|----------------------|----------------------|----------------------|-------------|
| (Million Yen)                    | 03/2022        | 03/2022              | 03/2022              | 03/2022              | 03/2023        | 03/2023              | 03/2023              | 03/2023              | Net Chg.    |
| Japan                            | 3,475          | 6,897                | 10,440               | 14,020               | 3,516          | -                    | -                    | -                    | +41         |
| China                            | 4,851          | 10,441               | 15,653               | 20,956               | 5,528          | -                    | -                    | -                    | +677        |
| Southeast Asia                   | 394            | 841                  | 1,281                | 1,740                | 471            | -                    | -                    | -                    | +77         |
| Europe, Americas, etc.           | 556            | 1,342                | 1,998                | 2,641                | 717            | -                    | -                    | -                    | +161        |
| <b>Sales</b>                     | <b>9,278</b>   | <b>19,523</b>        | <b>29,372</b>        | <b>39,358</b>        | <b>10,234</b>  | -                    | -                    | -                    | <b>+955</b> |
| Japan                            | +13.5%         | +17.9%               | +16.6%               | +13.6%               | +1.2%          | -                    | -                    | -                    | -           |
| China                            | +45.9%         | +30.1%               | +26.4%               | +24.1%               | +13.9%         | -                    | -                    | -                    | -           |
| Southeast Asia                   | +14.6%         | +26.5%               | +28.5%               | +26.4%               | +19.6%         | -                    | -                    | -                    | -           |
| Europe, Americas, etc.           | +27.5%         | +54.1%               | +50.8%               | +42.2%               | +28.9%         | -                    | -                    | -                    | -           |
| <b>Sales (YoY)</b>               | <b>+29.4%</b>  | <b>+26.7%</b>        | <b>+24.2%</b>        | <b>+21.2%</b>        | <b>+10.3%</b>  | -                    | -                    | -                    | -           |
| Japan                            | 37.5%          | 35.3%                | 35.5%                | 35.6%                | 34.4%          | -                    | -                    | -                    | -           |
| China                            | 52.3%          | 53.5%                | 53.3%                | 53.2%                | 54.0%          | -                    | -                    | -                    | -           |
| Southeast Asia                   | 4.2%           | 4.3%                 | 4.4%                 | 4.4%                 | 4.6%           | -                    | -                    | -                    | -           |
| Europe, Americas, etc.           | 6.0%           | 6.9%                 | 6.8%                 | 6.7%                 | 7.0%           | -                    | -                    | -                    | -           |
| <b>Sales (Composition Ratio)</b> | <b>100.0%</b>  | <b>100.0%</b>        | <b>100.0%</b>        | <b>100.0%</b>        | <b>100.0%</b>  | -                    | -                    | -                    | -           |

| Sales by Region                  | Cons.Act<br>Q1 | Cons.Act<br>Q2 | Cons.Act<br>Q3 | Cons.Act<br>Q4 | Cons.Act<br>Q1 | Cons.Act<br>Q2 | Cons.Act<br>Q3 | Cons.Act<br>Q4 | YoY         |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------|
| (Million Yen)                    | 03/2022        | 03/2022        | 03/2022        | 03/2022        | 03/2023        | 03/2023        | 03/2023        | 03/2023        | Net Chg.    |
| Japan                            | 3,475          | 3,422          | 3,542          | 3,579          | 3,516          | -              | -              | -              | +41         |
| China                            | 4,851          | 5,590          | 5,211          | 5,303          | 5,528          | -              | -              | -              | +677        |
| Southeast Asia                   | 394            | 447            | 439            | 459            | 471            | -              | -              | -              | +77         |
| Europe, Americas, etc.           | 556            | 785            | 656            | 643            | 717            | -              | -              | -              | +161        |
| <b>Sales</b>                     | <b>9,278</b>   | <b>10,245</b>  | <b>9,849</b>   | <b>9,985</b>   | <b>10,234</b>  | -              | -              | -              | <b>+955</b> |
| Japan                            | +13.5%         | +22.8%         | +14.3%         | +5.6%          | +1.2%          | -              | -              | -              | -           |
| China                            | +45.9%         | +18.9%         | +19.5%         | +17.8%         | +13.9%         | -              | -              | -              | -           |
| Southeast Asia                   | +14.6%         | +39.3%         | +32.6%         | +21.1%         | +19.6%         | -              | -              | -              | -           |
| Europe, Americas, etc.           | +27.5%         | +80.9%         | +44.5%         | +20.9%         | +28.9%         | -              | -              | -              | -           |
| <b>Sales (YoY)</b>               | <b>+29.4%</b>  | <b>+24.3%</b>  | <b>+19.4%</b>  | <b>+13.4%</b>  | <b>+10.3%</b>  | -              | -              | -              | -           |
| Japan                            | 37.5%          | 33.4%          | 36.0%          | 35.8%          | 34.4%          | -              | -              | -              | -           |
| China                            | 52.3%          | 54.6%          | 52.9%          | 53.1%          | 54.0%          | -              | -              | -              | -           |
| Southeast Asia                   | 4.2%           | 4.4%           | 4.5%           | 4.6%           | 4.6%           | -              | -              | -              | -           |
| Europe, Americas, etc.           | 6.0%           | 7.7%           | 6.7%           | 6.4%           | 7.0%           | -              | -              | -              | -           |
| <b>Sales (Composition Ratio)</b> | <b>100.0%</b>  | <b>100.0%</b>  | <b>100.0%</b>  | <b>100.0%</b>  | <b>100.0%</b>  | -              | -              | -              | -           |

Source: Company Data, WRJ Calculation

### Sales by Application (Cumulative / Quarterly)

| Sales by Application                       | Cons.Act<br>Q1 | Cons.Act<br>Q1 to Q2 | Cons.Act<br>Q1 to Q3 | Cons.Act<br>Q1 to Q4 | Cons.Act<br>Q1 | Cons.Act<br>Q1 to Q2 | Cons.Act<br>Q1 to Q3 | Cons.Act<br>Q1 to Q4 | YoY         |
|--|----------------|----------------------|----------------------|----------------------|----------------|----------------------|----------------------|----------------------|-------------|
| (Million Yen)                              | 03/2022        | 03/2022              | 03/2022              | 03/2022              | 03/2023        | 03/2023              | 03/2023              | 03/2023              | Net Chg.    |
| Automobiles                                | 3,880          | 8,113                | 12,221               | 16,442               | 4,383          | -                    | -                    | -                    | +503        |
| Electronic Components & Semiconductors     | 1,968          | 4,132                | 6,091                | 8,043                | 1,947          | -                    | -                    | -                    | (21)        |
| Consumer Electronics & Precision Equipment | 988            | 2,062                | 3,131                | 4,192                | 1,055          | -                    | -                    | -                    | +67         |
| Other                                      | 2,441          | 5,215                | 7,928                | 10,679               | 2,847          | -                    | -                    | -                    | +406        |
| <b>Sales</b>                               | <b>9,278</b>   | <b>19,523</b>        | <b>29,372</b>        | <b>39,358</b>        | <b>10,234</b>  | -                    | -                    | -                    | <b>+955</b> |
| Automobiles                                | +26.6%         | +22.7%               | +21.5%               | +20.2%               | +13.0%         | -                    | -                    | -                    | -           |
| Electronic Components & Semiconductors     | +36.3%         | +41.3%               | +34.3%               | +27.4%               | (1.0%)         | -                    | -                    | -                    | -           |
| Consumer Electronics & Precision Equipment | +13.0%         | +13.7%               | +9.9%                | +7.8%                | +6.8%          | -                    | -                    | -                    | -           |
| Other                                      | +36.8%         | +28.4%               | +27.6%               | +24.5%               | +16.6%         | -                    | -                    | -                    | -           |
| <b>Sales (YoY)</b>                         | <b>+29.4%</b>  | <b>+26.7%</b>        | <b>+24.2%</b>        | <b>+21.2%</b>        | <b>+10.3%</b>  | -                    | -                    | -                    | -           |
| Automobiles                                | 41.8%          | 41.6%                | 41.6%                | 41.8%                | 42.8%          | -                    | -                    | -                    | -           |
| Electronic Components & Semiconductors     | 21.2%          | 21.2%                | 20.7%                | 20.4%                | 19.0%          | -                    | -                    | -                    | -           |
| Consumer Electronics & Precision Equipment | 10.6%          | 10.6%                | 10.7%                | 10.7%                | 10.3%          | -                    | -                    | -                    | -           |
| Other                                      | 26.3%          | 26.7%                | 27.0%                | 27.1%                | 27.8%          | -                    | -                    | -                    | -           |
| <b>Sales (Composition Ratio)</b>           | <b>100.0%</b>  | <b>100.0%</b>        | <b>100.0%</b>        | <b>100.0%</b>        | <b>100.0%</b>  | -                    | -                    | -                    | -           |
| Sales by Application                       | Cons.Act<br>Q1 | Cons.Act<br>Q2       | Cons.Act<br>Q3       | Cons.Act<br>Q4       | Cons.Act<br>Q1 | Cons.Act<br>Q2       | Cons.Act<br>Q3       | Cons.Act<br>Q4       | YoY         |
| (Million Yen)                              | 03/2022        | 03/2022              | 03/2022              | 03/2022              | 03/2023        | 03/2023              | 03/2023              | 03/2023              | Net Chg.    |
| Automobiles                                | 3,880          | 4,233                | 4,107                | 4,221                | 4,383          | -                    | -                    | -                    | +503        |
| Electronic Components & Semiconductors     | 1,968          | 2,164                | 1,958                | 1,952                | 1,947          | -                    | -                    | -                    | (21)        |
| Consumer Electronics & Precision Equipment | 988            | 1,073                | 1,069                | 1,061                | 1,055          | -                    | -                    | -                    | +67         |
| Other                                      | 2,441          | 2,773                | 2,713                | 2,750                | 2,847          | -                    | -                    | -                    | +406        |
| <b>Sales</b>                               | <b>9,278</b>   | <b>10,245</b>        | <b>9,849</b>         | <b>9,985</b>         | <b>10,234</b>  | -                    | -                    | -                    | <b>+955</b> |
| Automobiles                                | +26.6%         | +19.4%               | +19.1%               | +16.5%               | +13.0%         | -                    | -                    | -                    | -           |
| Electronic Components & Semiconductors     | +36.3%         | +46.2%               | +21.5%               | +9.7%                | (1.0%)         | -                    | -                    | -                    | -           |
| Consumer Electronics & Precision Equipment | +13.0%         | +14.3%               | +3.4%                | +2.0%                | +6.8%          | -                    | -                    | -                    | -           |
| Other                                      | +36.8%         | +21.8%               | +26.2%               | +16.5%               | +16.6%         | -                    | -                    | -                    | -           |
| <b>Sales (YoY)</b>                         | <b>+29.4%</b>  | <b>+24.3%</b>        | <b>+19.4%</b>        | <b>+13.4%</b>        | <b>+10.3%</b>  | -                    | -                    | -                    | -           |
| Automobiles                                | 41.8%          | 41.3%                | 41.7%                | 42.3%                | 42.8%          | -                    | -                    | -                    | -           |
| Electronic Components & Semiconductors     | 21.2%          | 21.1%                | 19.9%                | 19.5%                | 19.0%          | -                    | -                    | -                    | -           |
| Consumer Electronics & Precision Equipment | 10.6%          | 10.5%                | 10.9%                | 10.6%                | 10.3%          | -                    | -                    | -                    | -           |
| Other                                      | 26.3%          | 27.1%                | 27.5%                | 27.5%                | 27.8%          | -                    | -                    | -                    | -           |
| <b>Sales (Composition Ratio)</b>           | <b>100.0%</b>  | <b>100.0%</b>        | <b>100.0%</b>        | <b>100.0%</b>        | <b>100.0%</b>  | -                    | -                    | -                    | -           |

Source: Company Data, WRJ Calculation

## Balance Sheet (Quarterly)

| Balance Sheet                           | Cons.Act      | Cons.Act      | Cons.Act      | Cons.Act      | Cons.Act      | Cons.Act | Cons.Act | Cons.Act | Cons.Act | YoY           |
|---|---------------|---------------|---------------|---------------|---------------|----------|----------|----------|----------|---------------|
| (Million Yen)                           | Q1            | Q2            | Q3            | Q4            | Q1            | Q2       | Q3       | Q4       |          | Net Chg.      |
|   | 03/2022       | 03/2022       | 03/2022       | 03/2022       | 03/2023       | 03/2023  | 03/2023  | 03/2023  |          |               |
| Cash and Deposit                        | 3,399         | 4,021         | 4,703         | 4,816         | 4,396         | -        | -        | -        | -        | +996          |
| Accounts Receivables                    | 10,504        | 10,901        | 10,675        | 11,235        | 11,672        | -        | -        | -        | -        | +1,167        |
| Inventory                               | 4,021         | 4,065         | 4,378         | 4,791         | 5,095         | -        | -        | -        | -        | +1,073        |
| Other                                   | 315           | 438           | 395           | 437           | 759           | -        | -        | -        | -        | +443          |
| <b>Current Assets</b>                   | <b>18,241</b> | <b>19,426</b> | <b>20,154</b> | <b>21,279</b> | <b>21,923</b> | -        | -        | -        | -        | <b>+3,681</b> |
| Tangible Assets                         | 6,462         | 6,796         | 6,797         | 7,012         | 7,359         | -        | -        | -        | -        | +897          |
| Intangible Assets                       | 174           | 163           | 161           | 177           | 181           | -        | -        | -        | -        | +6            |
| Investments and Other Assets            | 310           | 299           | 289           | 303           | 284           | -        | -        | -        | -        | (26)          |
| <b>Fixed Assets</b>                     | <b>6,947</b>  | <b>7,259</b>  | <b>7,248</b>  | <b>7,494</b>  | <b>7,825</b>  | -        | -        | -        | -        | <b>+877</b>   |
| <b>Total Assets</b>                     | <b>25,189</b> | <b>26,685</b> | <b>27,402</b> | <b>28,774</b> | <b>29,748</b> | -        | -        | -        | -        | <b>+4,559</b> |
| Accounts Payables, etc.                 | 3,564         | 3,931         | 3,803         | 3,816         | 3,784         | -        | -        | -        | -        | +219          |
| Short Term Debt                         | 2,690         | 2,636         | 3,051         | 2,485         | 2,433         | -        | -        | -        | -        | (256)         |
| Other                                   | 2,537         | 2,788         | 2,679         | 3,698         | 3,133         | -        | -        | -        | -        | +596          |
| <b>Current Liabilities</b>              | <b>8,791</b>  | <b>9,356</b>  | <b>9,534</b>  | <b>10,001</b> | <b>9,351</b>  | -        | -        | -        | -        | <b>+560</b>   |
| Long Term Debt                          | 1,104         | 957           | 810           | 907           | 1,062         | -        | -        | -        | -        | (41)          |
| Other                                   | 1,562         | 1,649         | 1,732         | 1,557         | 1,616         | -        | -        | -        | -        | +53           |
| <b>Fixed Liabilities</b>                | <b>2,667</b>  | <b>2,607</b>  | <b>2,542</b>  | <b>2,465</b>  | <b>2,679</b>  | -        | -        | -        | -        | <b>+11</b>    |
| <b>Total Liabilities</b>                | <b>11,459</b> | <b>11,963</b> | <b>12,077</b> | <b>12,466</b> | <b>12,031</b> | -        | -        | -        | -        | <b>+571</b>   |
| <b>Shareholders' Equity</b>             | <b>12,838</b> | <b>13,587</b> | <b>14,019</b> | <b>14,378</b> | <b>14,693</b> | -        | -        | -        | -        | <b>+1,854</b> |
| Other                                   | 891           | 1,134         | 1,305         | 1,928         | 3,024         | -        | -        | -        | -        | +2,132        |
| <b>Net Assets</b>                       | <b>13,729</b> | <b>14,721</b> | <b>15,324</b> | <b>16,307</b> | <b>17,717</b> | -        | -        | -        | -        | <b>+3,987</b> |
| <b>Total Liabilities and Net Assets</b> | <b>25,189</b> | <b>26,685</b> | <b>27,402</b> | <b>28,774</b> | <b>29,748</b> | -        | -        | -        | -        | <b>+4,559</b> |
| Equity Capital                          | 13,691        | 14,686        | 15,288        | 16,264        | 17,672        | -        | -        | -        | -        | +3,981        |
| Interest Bearing Debt                   | 3,794         | 3,594         | 3,861         | 3,393         | 3,496         | -        | -        | -        | -        | (298)         |
| Net Debt                                | 395           | (427)         | (842)         | (1,422)       | (899)         | -        | -        | -        | -        | (1,294)       |
| Equity Ratio                            | 54.4%         | 55.0%         | 55.8%         | 56.5%         | 59.4%         | -        | -        | -        | -        | -             |
| Net Debt Equity Ratio                   | 2.9%          | (2.9%)        | (5.5%)        | (8.7%)        | (5.1%)        | -        | -        | -        | -        | -             |
| ROE (12 months)                         | 8.7%          | 17.9%         | 17.4%         | 14.2%         | 12.4%         | -        | -        | -        | -        | -             |
| ROA (12 months)                         | 9.9%          | 12.1%         | 12.4%         | 11.2%         | 10.7%         | -        | -        | -        | -        | -             |
| Days for Inventory Turnover             | 56            | 52            | 57            | 60            | 63            | -        | -        | -        | -        | -             |
| Quick Ratio                             | 158%          | 159%          | 161%          | 160%          | 172%          | -        | -        | -        | -        | -             |
| Current Ratio                           | 207%          | 208%          | 211%          | 213%          | 234%          | -        | -        | -        | -        | -             |

Source: Company Data, WRJ Calculation

## Cash Flow Statement (Cumulative)

| Cash Flow Statement                                | Cons.Act | Cons.Act   | Cons.Act | Cons.Act     | Cons.Act | Cons.Act | Cons.Act | Cons.Act | Cons.Act | YoY      |
|--|----------|------------|----------|--------------|----------|----------|----------|----------|----------|----------|
| (Million Yen)                                      | Q1       | Q1 to Q2   | Q1 to Q3 | Q1 to Q4     | Q1       | Q1 to Q2 | Q1 to Q3 | Q1 to Q4 |          | Net Chg. |
|  | 03/2022  | 03/2022    | 03/2022  | 03/2022      | 03/2023  | 03/2023  | 03/2023  | 03/2023  |          |          |
| Operating Cash Flow                                | -        | 1,392      | -        | 2,941        | -        | -        | -        | -        | -        | -        |
| Investing Cash Flow                                | -        | (638)      | -        | (1,099)      | -        | -        | -        | -        | -        | -        |
| <b>Operating Cash Flow and Investing Cash Flow</b> | <b>-</b> | <b>753</b> | <b>-</b> | <b>1,841</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |
| Financing Cash Flow                                | -        | (1,131)    | -        | (1,600)      | -        | -        | -        | -        | -        | -        |

Source: Company Data, WRJ Calculation



**Disclaimer**

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Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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