

Translation

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Summary of Consolidated Financial Results for the Three Months Ended March 31, 2024 (Based on Japanese GAAP)

May 13, 2024

Company name: TEIKOKU SEN-I CO.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 3302 URL <https://www.teisen.co.jp/>
 Representative: Chairman & CEO Tsuyoshi Shiraiwa
 Inquiries: Vice President Tatsuru Okamura TEL 03(3281)3022
 Scheduled date to file Quarterly Securities Report: May 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 three months ended March 31, 2024 (from January 1, 2024 to March 31, 2024)

(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	%
Three months ended March 31, 2024	13,621	13.4	1,995	(0.8)	2,494	2.9	1,757	4.1
Three months ended March 31, 2023	12,016	(9.4)	2,011	(31.4)	2,424	(26.7)	1,688	(26.6)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2024	67.37	66.73
Three months ended March 31, 2023	64.66	63.96

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	84,528	67,285	79.2	2,563.57
As of December 31, 2023	79,204	64,976	81.6	2,479.19

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 December 31, 2023	–	0.00	–	50.00	50.00
Year ending December 31, 2024	–				
Year ending December 31, 2024 (Forecast)		0.00	–	50.00	50.00

3. Forecast of consolidated financial results for the year ending December 31, 2024 (from January 1, 2024 to December 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	34,000	21.3	3,500	35.4	4,500	26.1	3,200	30.9	122.80

4. Notes

- (1) Changes in significant subsidiaries during the three months ended March 31, 2024
(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 March 31, 2024	27,504,400 shares	As of December 31, 2023	27,444,400 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	1,374,174 shares	As of December 31, 2023	1,385,908 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2024	26,089,208 shares	Three months ended March 31, 2023	26,111,793 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	12,998,600	10,828,845
Notes and accounts receivable - trade, and contract assets	6,299,418	12,754,098
Securities	5,999,975	6,999,799
Merchandise and finished goods	6,587,179	4,986,030
Work in process	1,254,835	1,093,151
Raw materials and supplies	968,733	912,982
Other	2,288,650	1,727,086
Total current assets	36,397,394	39,301,994
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,145,846	7,043,010
Machinery, equipment and vehicles, net	685,516	639,028
Tools, furniture and fixtures, net	360,604	342,369
Land	3,917,154	3,917,154
Construction in progress	62,350	136,353
Total property, plant and equipment	12,171,472	12,077,915
Intangible assets	31,934	30,252
Investments and other assets		
Investment securities	30,086,834	32,600,819
Retirement benefit asset	126,433	108,008
Deferred tax assets	124,782	147,863
Other	265,532	262,049
Total investments and other assets	30,603,582	33,118,740
Total non-current assets	42,806,990	45,226,908
Total assets	79,204,384	84,528,903

	(Thousands of yen)	
	As of December 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	2,932,624	3,991,102
Current portion of long-term borrowings	—	11,000
Income taxes payable	214,369	796,631
Provision for bonuses	—	156,814
Other	1,329,801	1,730,184
Total current liabilities	4,476,796	6,685,733
Non-current liabilities		
Long-term borrowings	—	89,000
Long-term guarantee deposits	475,775	460,596
Deferred tax liabilities	8,285,439	9,020,561
Retirement benefit liability	121,949	125,538
Provision for share awards for directors (and other officers)	582,052	582,052
Asset retirement obligations	76,471	76,472
Long-term accounts payable - other	78,650	78,650
Other	130,714	125,183
Total non-current liabilities	9,751,052	10,558,055
Total liabilities	14,227,848	17,243,788
Net assets		
Shareholders' equity		
Share capital	1,582,867	1,620,052
Capital surplus	957,371	1,012,877
Retained earnings	44,070,500	44,503,201
Treasury shares	(1,067,446)	(1,062,787)
Total shareholders' equity	45,543,293	46,073,343
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,012,026	20,759,053
Deferred gains or losses on hedges	48,569	154,381
Total accumulated other comprehensive income	19,060,595	20,913,435
Share acquisition rights	372,646	298,336
Total net assets	64,976,535	67,285,114
Total liabilities and net assets	79,204,384	84,528,903

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024
Net sales	12,016,133	13,621,269
Cost of sales	8,833,671	10,453,300
Gross profit	3,182,462	3,167,969
Selling, general and administrative expenses	1,170,727	1,171,984
Operating profit	2,011,735	1,995,984
Non-operating income		
Interest income	108	128
Dividend income	404,043	493,279
Other	14,093	9,352
Total non-operating income	418,246	502,759
Non-operating expenses		
Interest expenses	739	474
Share of loss of entities accounted for using equity method	1,181	1,009
Foreign exchange losses	1,120	3,160
Commission expenses	2,465	—
Other	250	15
Total non-operating expenses	5,758	4,660
Ordinary profit	2,424,223	2,494,083
Extraordinary losses		
Loss on disposal of non-current assets	2,640	35
Total extraordinary losses	2,640	35
Profit before income taxes	2,421,583	2,494,048
Income taxes - current	778,290	838,942
Income taxes - deferred	(45,089)	(102,624)
Total income taxes	733,200	736,318
Profit	1,688,382	1,757,730
Profit attributable to owners of parent	1,688,382	1,757,730

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024
Profit	1,688,382	1,757,730
Other comprehensive income		
Valuation difference on available-for-sale securities	704,950	1,747,027
Deferred gains or losses on hedges	43,585	105,811
Total other comprehensive income	748,536	1,852,839
Comprehensive income	2,436,918	3,610,569
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,436,918	3,610,569