

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 14, 2023

Company name: TOREX SEMICONDUCTOR LTD.
 Stock exchange listing: Tokyo
 Stock code: 6616 URL <https://www.torex.co.jp/>
 Representative: President Koji Shibamiya
 Corporate Officer
 Inquiries: General Manager, Corporate Planning Takashi Maegawa TEL 03-6222-2875
 Headquarters
 Scheduled date to file Quarterly Securities Report: February 14, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 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, 2022 (from April 1, 2022 to December 31, 2022)

(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, 2022	25,083	9.4	4,289	48.1	4,268	44.9	2,973	45.4
Nine months ended December 31, 2021	22,920	33.5	2,897	317.6	2,946	459.9	2,044	426.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	271.27		–	
Nine months ended December 31, 2021	186.88		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	38,271	25,468	66.5	2,315.70
As of March 31, 2022	34,770	22,729	65.4	2,077.66

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	20.00	–	24.00	44.00
Year ending March 31, 2023	–	28.00	–		
Year ending March 31, 2023 (Forecast)				28.00	56.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	6.9	5,000	28.3	5,000	21.2	3,500	10.9	318.23

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2022
(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, 2022	11,554,200 shares	As of March 31, 2022	11,554,200 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	556,124 shares	As of March 31, 2022	614,377 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	10,961,761 shares	Nine months ended December 31, 2021	10,939,871 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	10,219,751	9,609,135
Notes and accounts receivable - trade	5,916,777	5,525,083
Inventories	8,197,630	10,176,146
Other	552,662	680,075
Allowance for doubtful accounts	(6,373)	(6,069)
Total current assets	24,880,449	25,984,371
Non-current assets		
Property, plant and equipment	6,613,258	9,100,478
Intangible assets	777,120	640,414
Investments and other assets		
Other	2,528,505	2,577,954
Allowance for doubtful accounts	(29,015)	(31,454)
Total investments and other assets	2,499,489	2,546,500
Total non-current assets	9,889,868	12,287,392
Total assets	34,770,317	38,271,764
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,720,227	1,360,106
Short-term borrowings	2,400,000	1,900,000
Current portion of long-term borrowings	950,000	1,518,504
Income taxes payable	1,242,667	393,021
Contract liabilities	30,044	2,042
Provision for bonuses	571,792	160,848
Provision for bonuses for directors (and other officers)	45,000	–
Other	2,017,741	2,069,531
Total current liabilities	8,977,473	7,404,053
Non-current liabilities		
Bonds payable	–	100,000
Long-term borrowings	2,412,500	4,636,516
Retirement benefit liability	383,131	387,453
Provision for share awards	75,883	79,631
Other	192,052	195,777
Total non-current liabilities	3,063,567	5,399,378
Total liabilities	12,041,040	12,803,432

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Net assets		
Shareholders' equity		
Share capital	2,967,934	2,967,934
Capital surplus	8,299,941	8,388,605
Retained earnings	11,817,830	14,216,419
Treasury shares	(750,278)	(678,960)
Total shareholders' equity	22,335,428	24,893,999
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(111,934)	(72,788)
Foreign currency translation adjustment	353,682	505,831
Remeasurements of defined benefit plans	152,101	141,290
Total accumulated other comprehensive income	393,849	574,332
Total net assets	22,729,277	25,468,332
Total liabilities and net assets	34,770,317	38,271,764

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	22,920,727	25,083,475
Cost of sales	16,092,169	16,357,273
Gross profit	6,828,557	8,726,202
Selling, general and administrative expenses	3,931,299	4,436,798
Operating profit	2,897,257	4,289,403
Non-operating income		
Interest and dividend income	18,126	26,155
Foreign exchange gains	17,975	–
Royalty gain	1,852	2,761
Rental income	30,407	31,189
Other	15,723	13,721
Total non-operating income	84,085	73,828
Non-operating expenses		
Interest expenses	26,752	36,930
Foreign exchange losses	–	47,842
Commission expenses	6,000	6,000
Other	2,279	3,845
Total non-operating expenses	35,032	94,618
Ordinary profit	2,946,310	4,268,613
Extraordinary income		
Gain on sale of non-current assets	2,079	–
Total extraordinary income	2,079	–
Extraordinary losses		
Loss on sale and retirement of non-current assets	20,480	10,187
Loss on cancellation of insurance policies	–	10,180
Total extraordinary losses	20,480	20,368
Profit before income taxes	2,927,910	4,248,245
Income taxes	883,363	1,274,603
Profit	2,044,547	2,973,641
Profit attributable to owners of parent	2,044,547	2,973,641

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	2,044,547	2,973,641
Other comprehensive income		
Valuation difference on available-for-sale securities	(19,283)	39,146
Foreign currency translation adjustment	109,636	152,148
Remeasurements of defined benefit plans, net of tax	(12,095)	(10,810)
Total other comprehensive income	78,257	180,483
Comprehensive income	2,122,804	3,154,125
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,122,804	3,154,125