

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 13, 2021

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: Senior Manager, Business Planning Takashi Maegawa TEL 03-6222-2875  
 Department  
 Scheduled date to file Quarterly Securities Report: August 13, 2021  
 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 three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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 June 30, 2021	7,013	19.7	636	225.3	676	275.9	476	182.6
Three months ended June 30, 2020	5,858	22.1	195	148.9	180	–	168	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	43.59		–	
Three months ended June 30, 2020	15.47		15.46	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2021	30,970	19,962	64.5	1,824.79
As of March 31, 2021	31,512	19,789	62.8	1,808.96

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, 2021	–	16.00	–	20.00	36.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	20.00	–	20.00	40.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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	28,500	20.2	2,500	106.7	2,500	107.3	1,750	87.4	159.96

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021  
(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: Yes
- 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 June 30, 2021	11,554,200 shares	As of March 31, 2021	11,554,200 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	614,350 shares	As of March 31, 2021	614,259 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	10,939,914 shares	Three months ended June 30, 2020	10,905,541 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	11,737,170	9,847,468
Notes and accounts receivable - trade	4,629,998	5,017,988
Inventories	5,470,259	6,188,906
Other	590,124	883,641
Allowance for doubtful accounts	(5,948)	(3,261)
Total current assets	22,421,604	21,934,742
Non-current assets		
Property, plant and equipment	5,965,946	6,087,745
Intangible assets	919,351	923,136
Investments and other assets		
Other	2,231,649	2,051,803
Allowance for doubtful accounts	(26,422)	(26,463)
Total investments and other assets	2,205,227	2,025,340
Total non-current assets	9,090,525	9,036,222
Total assets	31,512,129	30,970,965
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,344,974	1,679,677
Short-term borrowings	2,901,661	2,401,659
Current portion of long-term borrowings	1,030,000	990,000
Income taxes payable	203,234	72,371
Provision for bonuses	424,979	146,239
Other	1,774,241	1,995,086
Total current liabilities	7,679,092	7,285,034
Non-current liabilities		
Long-term borrowings	3,362,500	3,125,000
Retirement benefit liability	344,767	353,953
Provision for share awards	49,109	55,229
Other	286,737	188,815
Total non-current liabilities	4,043,114	3,722,998
Total liabilities	11,722,207	11,008,033
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,967,934	2,967,934
Capital surplus	8,299,941	8,299,941
Retained earnings	9,115,933	9,341,477
Treasury shares	(749,981)	(750,187)
Total shareholders' equity	19,633,828	19,859,166
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(146,619)	(193,736)
Foreign currency translation adjustment	113,934	112,139
Remeasurements of defined benefit plans	188,778	185,361
Total accumulated other comprehensive income	156,093	103,765
Total net assets	19,789,922	19,962,931
Total liabilities and net assets	31,512,129	30,970,965

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	5,858,103	7,013,829
Cost of sales	4,533,496	5,072,018
Gross profit	1,324,606	1,941,811
Selling, general and administrative expenses	1,129,115	1,305,780
Operating profit	195,491	636,031
Non-operating income		
Interest and dividend income	8,214	8,824
Foreign exchange gains	–	27,143
Royalty Income <sup>2</sup>	1,088	–
Rental income	7,320	9,564
Other	6,543	7,504
Total non-operating income	23,166	53,036
Non-operating expenses		
Interest expenses	9,851	9,583
Foreign exchange losses	26,701	–
Commission expenses	2,000	2,000
Other	95	813
Total non-operating expenses	38,648	12,396
Ordinary profit	180,009	676,671
Extraordinary losses		
Loss on sale and retirement of non-current assets	1,414	3,524
Loss on cancellation of insurance policies	11,736	–
Total extraordinary losses	13,151	3,524
Profit before income taxes	166,858	673,146
Income taxes	(1,925)	196,205
Profit	168,783	476,941
Profit attributable to owners of parent	168,783	476,941

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

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	168,783	476,941
Other comprehensive income		
Valuation difference on available-for-sale securities	17,184	(47,116)
Foreign currency translation adjustment	(8,144)	(1,794)
Remeasurements of defined benefit plans, net of tax	4,136	(3,417)
Total other comprehensive income	13,176	(52,328)
Comprehensive income	181,960	424,612
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	181,960	424,612