

Translation

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

August 10, 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: August 10, 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 three months ended June 30, 2023 (from April 1, 2023 to June 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	%
Three months ended June 30, 2023	6,404	(25.5)	222	(87.2)	(12)	–	70	(94.3)
Three months ended June 30, 2022	8,593	22.5	1,743	174.1	1,757	159.7	1,238	159.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	6.45		–	
Three months ended June 30, 2022	113.19		–	

(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, 2023	38,574	24,574	63.7	2,234.53
As of March 31, 2023	37,048	24,593	66.4	2,236.24

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, 2023	–	28.00	–	28.00	56.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	28.00	–	28.00	56.00

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	29,000	(9.3)	1,500	(62.3)	1,500	(62.3)	1,050	(51.8)	95.47

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 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 June 30, 2023	11,554,200 shares	As of March 31, 2023	11,554,200 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	556,424 shares	As of March 31, 2023	556,324 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, 2023	10,997,781 shares	Three months ended June 30, 2022	10,939,823 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	8,572,536	9,327,490
Notes and accounts receivable - trade	5,332,969	4,873,541
Inventories	10,034,728	10,596,154
Other	777,874	801,250
Allowance for doubtful accounts	(3,213)	(4,589)
Total current assets	24,714,896	25,593,847
Non-current assets		
Property, plant and equipment	9,201,486	9,987,258
Intangible assets	583,080	545,726
Investments and other assets		
Other	2,580,932	2,482,296
Allowance for doubtful accounts	(31,656)	(34,345)
Total investments and other assets	2,549,276	2,447,951
Total non-current assets	12,333,842	12,980,936
Total assets	37,048,739	38,574,784
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,200,122	948,014
Short-term borrowings	1,900,000	1,900,000
Current portion of long-term borrowings	1,470,496	1,497,976
Income taxes payable	184,425	89,864
Contract liabilities	673	13,255
Provision for bonuses	589,493	172,337
Provision for bonuses for directors (and other officers)	24,070	7,520
Other	2,012,815	2,074,532
Total current liabilities	7,382,096	6,703,499
Non-current liabilities		
Bonds payable	100,000	100,000
Long-term borrowings	4,264,360	6,480,416
Retirement benefit liability	391,063	393,752
Provision for share awards	77,183	83,877
Other	240,101	238,306
Total non-current liabilities	5,072,708	7,296,351
Total liabilities	12,454,805	13,999,851
Net assets		
Shareholders' equity		
Share capital	2,967,934	2,967,934
Capital surplus	8,388,605	8,388,605
Retained earnings	13,422,586	13,183,282
Treasury shares	(678,960)	(678,960)
Total shareholders' equity	24,100,165	23,860,861
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(105,201)	(117,086)
Foreign currency translation adjustment	550,361	784,895
Remeasurements of defined benefit plans	48,608	46,262
Total accumulated other comprehensive income	493,768	714,071
Total net assets	24,593,934	24,574,933
Total liabilities and net assets	37,048,739	38,574,784

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, 2022	Three months ended June 30, 2023
Net sales	8,593,789	6,404,644
Cost of sales	5,419,092	4,767,889
Gross profit	3,174,697	1,636,755
Selling, general and administrative expenses	1,431,653	1,414,095
Operating profit	1,743,043	222,659
Non-operating income		
Interest and dividend income	12,388	14,037
Rental income	10,618	12,021
Other	4,817	6,214
Total non-operating income	27,824	32,273
Non-operating expenses		
Interest expenses	8,489	33,520
Foreign exchange losses	551	231,363
Commission expenses	2,000	2,000
Other	2,525	565
Total non-operating expenses	13,567	267,449
Ordinary profit (loss)	1,757,301	(12,516)
Extraordinary income		
Subsidy income	–	126,320
Total extraordinary income	–	126,320
Extraordinary losses		
Loss on sale and retirement of non-current assets	3,441	3,129
Loss on tax purpose reduction entry of non-current assets	–	112,262
Total extraordinary losses	3,441	115,391
Profit (loss) before income taxes	1,753,859	(1,587)
Income taxes	515,517	(72,554)
Profit	1,238,341	70,966
Profit attributable to owners of parent	1,238,341	70,966

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,238,341	70,966
Other comprehensive income		
Valuation difference on available-for-sale securities	60,261	(11,884)
Foreign currency translation adjustment	271,019	234,533
Remeasurements of defined benefit plans, net of tax	(3,603)	(2,345)
Total other comprehensive income	327,677	220,303
Comprehensive income	1,566,019	291,269
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,566,019	291,269