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## Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

August 8, 2023

Company name: TAIHEIYO CEMENT CORPORATION

Stock exchange listing: Tokyo, Fukuoka

Code number: 5233

URL: <https://www.taiheiyo-cement.co.jp/english/index.html>

Representative: Masafumi Fushihara

President and Representative Director

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Scheduled date of filing quarterly securities report: August 9, 2023

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2023	193,534	9.6	1,862	54.1	2,976	36.2	365	-
June 30, 2022	176,516	10.6	1,208	(87.8)	2,185	(79.1)	(220)	-

(Note) Comprehensive income: Three months ended June 30, 2023: 5,717 million yen [ (56.8)%]  
Three months ended June 30, 2022: 13,225 million yen [ (29.7)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	3.12	-
June 30, 2022	(1.88)	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2023	1,280,007	530,137	38.7
March 31, 2023	1,268,862	528,857	39.0

(Reference) Equity: As of June 30, 2023: 495,993 million yen  
As of March 31, 2023: 494,957 million yen

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	35.00	-	35.00	70.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		35.00	-	35.00	70.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2023	444,000	18.1	19,000	-	17,000	-	11,000	-	93.97
Full year	920,000	13.6	58,000	1,201.5	56,000	5,412.6	40,000	-	341.72

(Note) Revision to the financial results forecast announced most recently: No

### \* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023  
(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2023: 121,985,078 shares

March 31, 2023: 121,985,078 shares

2) Total number of treasury shares at the end of the period:

June 30, 2023: 4,868,972 shares

March 31, 2023: 4,931,863 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 117,084,616 shares

Three months ended June 30, 2022: 117,053,809 shares

\* The forecasts herein are based on the information available at the date of publication of this material and assumptions at the same date with respect to the various factors which might have impact on the future financial results. Actual results may differ materially from this forecast due to various factors.

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	79,842	78,892
Notes and accounts receivable - trade, and contract assets	158,136	159,109
Electronically recorded monetary claims - operating	24,826	27,318
Merchandise and finished goods	47,460	51,179
Work in process	1,529	2,119
Raw materials and supplies	89,383	84,134
Other	29,379	29,163
Allowance for doubtful accounts	(150)	(150)
<b>Total current assets</b>	<b>430,408</b>	<b>431,766</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	157,312	160,034
Machinery, equipment and vehicles, net	191,081	189,020
Land	165,027	167,714
Other, net	106,662	109,981
<b>Total property, plant and equipment</b>	<b>620,083</b>	<b>626,750</b>
Intangible assets		
Goodwill	101	96
Other	39,665	39,658
<b>Total intangible assets</b>	<b>39,766</b>	<b>39,755</b>
Investments and other assets		
Investment securities	117,839	118,614
Retirement benefit asset	23,697	23,656
Other	38,376	40,770
Allowance for doubtful accounts	(1,309)	(1,306)
<b>Total investments and other assets</b>	<b>178,604</b>	<b>181,734</b>
<b>Total non-current assets</b>	<b>838,454</b>	<b>848,240</b>
<b>Total assets</b>	<b>1,268,862</b>	<b>1,280,007</b>

(Million yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	84,162	84,371
Electronically recorded obligations - operating	11,613	13,132
Short-term borrowings	149,573	151,693
Commercial papers	27,000	31,000
Current portion of bonds payable	10,000	10,000
Income taxes payable	3,687	2,907
Provision for bonuses	5,677	4,654
Provision for loss on business withdrawal	2,564	1,350
Other provisions	108	159
Other	91,395	98,289
<b>Total current liabilities</b>	<b>385,784</b>	<b>397,558</b>
Non-current liabilities		
Bonds payable	50,000	50,000
Long-term borrowings	166,911	163,783
Retirement benefit liability	21,380	21,531
Provision for retirement benefits for directors (and other officers)	536	464
Provision for special repairs	227	246
Provision for product compensation	4,498	4,479
Provision for loss on business withdrawal	1,924	1,936
Other provisions	472	471
Asset retirement obligations	9,379	10,266
Other	98,889	99,131
<b>Total non-current liabilities</b>	<b>354,221</b>	<b>352,310</b>
<b>Total liabilities</b>	<b>740,005</b>	<b>749,869</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	86,174	86,174
Capital surplus	49,729	49,800
Retained earnings	342,880	339,142
Treasury shares	(13,738)	(13,735)
<b>Total shareholders' equity</b>	<b>465,045</b>	<b>461,382</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,038	13,054
Deferred gains or losses on hedges	0	1
Revaluation reserve for land	3,610	3,611
Foreign currency translation adjustment	13,730	17,544
Remeasurements of defined benefit plans	530	398
<b>Total accumulated other comprehensive income</b>	<b>29,911</b>	<b>34,610</b>
<b>Non-controlling interests</b>	<b>33,899</b>	<b>34,144</b>
<b>Total net assets</b>	<b>528,857</b>	<b>530,137</b>
<b>Total liabilities and net assets</b>	<b>1,268,862</b>	<b>1,280,007</b>

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	176,516	193,534
Cost of sales	141,596	158,089
Gross profit	34,919	35,444
Selling, general and administrative expenses	33,710	33,582
Operating profit	1,208	1,862
Non-operating income		
Interest income	56	289
Dividend income	831	1,120
Share of profit of entities accounted for using equity method	286	250
Foreign exchange gains	181	801
Other	699	645
Total non-operating income	2,056	3,107
Non-operating expenses		
Interest expenses	535	881
Other	544	1,113
Total non-operating expenses	1,079	1,994
Ordinary profit	2,185	2,976
Extraordinary income		
Gain on disposal of non-current assets	210	88
Gain on sale of investment securities	30	3
Other	22	22
Total extraordinary income	263	114
Extraordinary losses		
Loss on disposal of non-current assets	607	781
Other	19	40
Total extraordinary losses	627	822
Profit before income taxes	1,821	2,268
Income taxes	1,758	1,709
Profit	63	558
Profit attributable to non-controlling interests	283	192
Profit (loss) attributable to owners of parent	(220)	365

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	63	558
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,177)	1,139
Deferred gains or losses on hedges	3	0
Foreign currency translation adjustment	12,900	2,746
Remeasurements of defined benefit plans, net of tax	(231)	(120)
Share of other comprehensive income of entities accounted for using equity method	1,666	1,393
Total other comprehensive income	13,161	5,159
Comprehensive income	13,225	5,717
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,736	5,063
Comprehensive income attributable to non-controlling interests	1,489	654

Quarterly Consolidated Segment Information  
Reportable Segments

For the Three Months Ended June 30, 2022

(Million yen)

	Reportable Segments					Other	Total	Adjustment	Consolidated Total
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Total				
Net sales									
Sales to outside customers	117,450	14,984	16,428	13,238	162,101	14,414	176,516	-	176,516
Inter-segment sales	1,519	4,945	1,189	338	7,993	5,841	13,835	(13,835)	-
Total	118,969	19,930	17,618	13,576	170,095	20,256	190,351	(13,835)	176,516
Segment income	(1,961)	1,449	1,352	(412)	428	558	986	222	1,208

For the Three Months Ended June 30, 2023

(Million yen)

	Reportable Segments					Other	Total	Adjustment	Consolidated Total
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Total				
Net sales									
Sales to outside customers	133,573	15,866	14,137	15,770	179,347	14,187	193,534	-	193,534
Inter-segment sales	1,948	5,739	1,088	367	9,144	5,957	15,101	(15,101)	-
Total	135,521	21,606	15,225	16,138	188,491	20,144	208,636	(15,101)	193,534
Segment income	(2,489)	1,993	1,206	566	1,277	735	2,012	(150)	1,862