

Reference Materials of Financial Results
for the Nine Months Ended December 31, 2023

February 8, 2024

TAIHEIYO CEMENT CORPORATION

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1. Highlights of Consolidated Financial Results



(Million yen)

	FY2023 Nine months	FY2024 Nine months	Change
Net sales	600,348	660,174	59,825
Operating profit	3,392	41,862	38,469
Ordinary profit	3,526	43,834	40,307
Profit attributable to owners of parent	(17,665)	28,796	46,462

<Indexes>	As of Mar. 31, 2023	As of Dec. 31, 2023	Change
Capital adequacy ratio (%)	39.0	40.1	1.1
Capital adequacy ratio based on market value (%)	22.9	24.6	1.6
Net assets per share (Yen)	4,228.5	4,744.6	516.1
	FY2023 Nine months	FY2024 Nine months	Change
Basic earnings per share (Yen)	(150.9)	246.3	397.2

2. Financial Results for the Nine Months Ended December 31, 2023

(1) Consolidated Segment Information

Net Sales and Operating Profit by Reportable Segments

(Million yen)

		Net sales			Operating profit		
		FY2023 Nine months	FY2024 Nine months	Change	FY2023 Nine months	FY2024 Nine months	Change
Cement Business	Domestic	193,973	224,816	30,842	(26,623)	(1,664)	24,958
	Overseas Subsidiaries, etc.	216,042	246,123	30,080	16,769	25,245	8,476
	Total	410,016	470,940	60,923	(9,854)	23,581	33,435
Mineral Resources Business		62,402	66,544	4,142	4,491	7,326	2,835
Environmental Business		59,174	51,571	(7,603)	4,458	4,790	331
Construction Materials Business		49,614	56,072	6,458	1,206	3,935	2,729
Other		63,451	62,983	(467)	2,737	2,260	(476)
Total		644,659	708,112	63,453	3,039	41,894	38,854
Elimination		(44,311)	(47,938)	(3,627)	352	(32)	(385)
Consolidated Total		600,348	660,174	59,825	3,392	41,862	38,469

2. Financial Results for the Nine Months Ended December 31, 2023



(1) Consolidated Segment Information

	Sales Volume of Cement (Thousand tons)			Average Exchange Rate Applied by Overseas Subsidiaries (Yen/US\$)		
	FY2023 Nine months	FY2024 Nine months	Change	FY2023 Nine months	FY2024 Nine months	Change
Domestic	10,089	10,000	(89)	128.3	138.2	9.9
Export	2,029	1,972	(56)			

Cement Business

(Million yen)

		FY2023 Nine months	FY2024 Nine months	Change	Main Factors of Changes in Net Sales and Operating Profit
Net Sales	Domestic	193,973	224,816	30,842	Decrease in sales volume of domestic cement and soil stabilizers -0.8 billion yen Decrease in export cement volume -0.4 billion yen Price difference in domestic cement and soil stabilizers +32.2 billion yen Price difference in export cement -2.1 billion yen Increase in sales from subsidiaries producing or selling cement or ready-mixed concrete, etc. +1.9 billion yen
	Overseas Subsidiaries, etc.	216,042	246,123	30,080	U.S.A. +US\$204 million China -US\$95 million, Asia and other -US\$6 million Effect of foreign exchange, etc. +16.8 billion yen
	Total	410,016	470,940	60,923	
Operating Profit	Domestic	(26,623)	(1,664)	24,958	Decrease in sales volume of domestic cement and soil stabilizers -2.4 billion yen Decrease in export cement volume -0.1 billion yen Price difference in domestic cement and soil stabilizers +29.8 billion yen Increase in net export cement revenue +0.1 billion yen Increase in variable cost -5.4 billion yen Decrease in fixed cost +0.4 billion yen Increase in income from subsidiaries producing or selling cement or ready-mixed concrete, etc. +2.6 billion yen
	Overseas Subsidiaries, etc.	16,769	25,245	8,476	U.S.A. +US\$66 million China +US\$2 million, Asia and other -US\$18 million Effect of foreign exchange, etc. +2.0 billion yen
	Total	(9,854)	23,581	33,435	

2. Financial Results for the Nine Months Ended December 31, 2023

(1) Consolidated Segment Information

Reportable Segments (Excluding Cement Business) and Other

(Million yen)

		FY2023 Nine months	FY2024 Nine months	Change	Main Factors of Changes in Net Sales and Operating Profit
Mineral Resources Business	Net Sales	62,402	66,544	4,142	Increase in aggregate sales volume in the Hokkaido and Kansai region
	Operating Profit	4,491	7,326	2,835	Increase in various type of costs passed on to sales prices
Environmental Business	Net Sales	59,174	51,571	(7,603)	Decrease in fuel sales
	Operating Profit	4,458	4,790	331	Sales of calcium carbonate used for flue gas desulfurization and gypsum remained strong
Construction Materials Business	Net Sales	49,614	56,072	6,458	Ground improvement projects were strong
	Operating Profit	1,206	3,935	2,729	Price optimization of ALC (Autoclaved Lightweight Concrete), construction and civil engineering materials
Other	Net Sales	63,451	62,983	(467)	
	Operating Profit	2,737	2,260	(476)	

2. Financial Results for the Nine Months Ended December 31, 2023

(2) Consolidated Statements of Income (Items below Operating Profit)

(Million yen)

	FY2023 Nine months	FY2024 Nine months	Change
Operating profit	3,392	41,862	38,469
Non-operating income and expenses	133	1,972	1,838
Ordinary profit	3,526	43,834	40,307
Extraordinary income and losses	(2,432)	(1,085)	1,346
Profit before income taxes	1,094	42,748	41,654
Income taxes	17,952	13,760	(4,191)
Profit attributable to non-controlling interest	807	190	(616)
Profit attributable to owners of parent	(17,665)	28,796	46,462

2. Financial Results for the Nine Months Ended December 31, 2023

(3) Consolidated Balance Sheets

					(Million yen)						
		As of Mar. 31, 2023	As of Dec. 31, 2023	Change			As of Mar. 31, 2023	As of Dec. 31, 2023	Change		
Current assets	Cash and deposits	79,842	98,124	18,281	Liabilities	Current liabilities		385,784	410,940	25,156	
	Trade receivables	182,963	226,349	43,385		Non-current liabilities		354,221	373,267	19,046	
	Inventories	138,373	128,871	(9,501)		Total liabilities		740,005	784,207	44,202	
	Other	29,228	25,777	(3,450)	Net assets	Shareholders' equity	Share capital		86,174	86,174	-
Total current assets	430,408	479,123	48,715	Capital surplus			49,729	49,795	66		
Non-current assets	Total property, plant and equipment	620,083	657,756	37,672			Retained earnings		342,880	363,449	20,568
	Total intangible assets	39,766	40,791	1,024			Treasury shares		(13,738)	(17,934)	(4,196)
	Total investments and other assets	178,604	189,619	11,014			Total shareholders' equity		465,045	481,483	16,438
	Total non-current assets	838,454	888,166	49,712			Accumulated other comprehensive income		29,911	66,908	36,997
Non-controlling interests							33,899	34,689	789		
Total net assets					528,857	583,081	54,224				
Total assets	1,268,862	1,367,289	98,427	Total liabilities and net assets		1,268,862	1,367,289	98,427			

※ Trade receivables include "Notes and accounts receivable-trade, and contract assets" and "Electronically recorded monetary claims - operating".

	As of Dec. 31, 2022	As of Sep. 31, 2023	Change		As of Mar. 31, 2023	As of Dec. 31, 2023	Change
Exchange rate at end of period (Yen/US\$)	132.7	149.6	16.9	Interest-bearing debt (Million yen)	403,485	398,257	(5,227)

3. Forecast for the Fiscal 2024

Previous forecast, announced on November 9th 2023, has not been revised.

(Hundred million yen)

	FY2023	FY2024	Change
	(Actual)	(Forecast)	Year-on-Year
Net sales	8,095	8,940	845
Operating profit	44	580	536
Ordinary profit	10	590	580
Profit attributable to owners of parent	(332)	400	732

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