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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [Japanese GAAP]

May 14, 2024

Company name: TAIHEIYO CEMENT CORPORATION

Stock exchange listing: Tokyo, Fukuoka

Code number: 5233

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

Representative: Yoshifumi Taura

President and Representative Director

Contact: Kenichi Takano

General Manager of General Affairs Department

Phone: +81-3-5801-0334

Scheduled date of Annual General Meeting of Shareholders: June 27, 2024

Scheduled date of commencing dividend payments: June 28, 2024

Scheduled date of filing annual securities report: June 28, 2024

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes (for Analysts and Institutional Investors)

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

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

#### (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	%
Fiscal year ended								
March 31, 2024	886,275	9.5	56,470	1,167.2	59,472	5,754.5	43,272	-
March 31, 2023	809,542	14.3	4,456	(90.5)	1,015	(98.0)	(33,206)	-

(Note) Comprehensive income: Fiscal year ended March 31, 2024: 80,517 million yen [ -%]  
Fiscal year ended March 31, 2023: (5,248) million yen [ -%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	371.09	-	8.2	4.6	6.4
March 31, 2023	(283.68)	-	(6.6)	0.1	0.6

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: 861 million yen  
Fiscal year ended March 31, 2023: (2,771) million yen

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2024	1,338,251	596,384	42.1	4,872.94
March 31, 2023	1,268,862	528,857	39.0	4,228.48

(Reference) Equity: As of March 31, 2024: 563,210 million yen  
As of March 31, 2023: 494,957 million yen

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2024	140,543	(82,138)	(59,476)	71,146
March 31, 2023	(268)	(93,344)	112,080	70,828

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2023	-	35.00	-	35.00	70.00	8,217	-	1.6
March 31, 2024	-	35.00	-	35.00	70.00	8,173	18.9	1.5
Fiscal year ending								
March 31, 2025 (Forecast)	-	40.00	-	40.00	80.00		14.9	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% 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, 2024	464,000	10.9	34,500	94.3	34,500	71.5	26,500	94.6	229.28
Full year	960,000	8.3	84,000	48.8	83,500	40.4	62,000	43.3	536.43

Note: The depreciation method for property, plant and equipment has been changed to the straight-line method since the beginning of the fiscal year ending March 31, 2025, and the above forecast has been prepared after reflecting the change.

### \* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) 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

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

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

March 31, 2024: 121,985,078 shares

March 31, 2023: 121,985,078 shares

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

March 31, 2024: 6,405,914 shares

March 31, 2023: 4,931,863 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 116,610,560 shares

Fiscal Year ended March 31, 2023: 117,055,316 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2024	335,889	8.5	1,271	-	32,104	-	33,443	-
March 31, 2023	309,486	7.6	(33,643)	-	(16,733)	-	(32,882)	-

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
March 31, 2024	286.08	-
March 31, 2023	(280.12)	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
March 31, 2024	732,483	279,864	38.2	2,415.63
March 31, 2023	718,159	256,871	35.8	2,188.12

(Reference) Equity: As of March 31, 2024: 279,864 million yen

As of March 31, 2023: 256,871 million yen

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	360,000	7.2	40,000	24.6	34,000	1.7	293.47

\* These financial results are not subject to audit by certified public accountants or auditing firms.

\* 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.

# Consolidated Financial Statements

## Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	79,842	80,101
Notes and accounts receivable - trade, and contract assets	158,136	167,848
Electronically recorded monetary claims - operating	24,826	38,735
Merchandise and finished goods	47,460	49,340
Work in process	1,529	1,465
Raw materials and supplies	89,383	72,371
Short-term loans receivable	1,459	1,345
Other	27,920	19,278
Allowance for doubtful accounts	(150)	(198)
Total current assets	430,408	430,289
Non-current assets		
Property, plant and equipment		
Buildings and structures	531,889	550,807
Accumulated depreciation	(374,577)	(387,059)
Buildings and structures, net	157,312	163,748
Machinery, equipment and vehicles	1,038,534	1,088,014
Accumulated depreciation	(847,452)	(898,533)
Machinery, equipment and vehicles, net	191,081	189,481
Land	165,027	158,496
Leased assets	26,217	27,849
Accumulated depreciation	(12,819)	(14,011)
Leased assets, net	13,398	13,838
Construction in progress	34,286	59,614
Other	101,217	120,317
Accumulated depreciation	(42,240)	(51,585)
Other, net	58,977	68,731
Total property, plant and equipment	620,083	653,910
Intangible assets		
Goodwill	101	103
Other	39,665	38,979
Total intangible assets	39,766	39,083
Investments and other assets		
Investment securities	117,839	132,313
Long-term loans receivable	2,376	2,486
Retirement benefit asset	23,697	38,906
Deferred tax assets	8,167	8,595
Other	27,832	33,993
Allowance for doubtful accounts	(1,309)	(1,327)
Total investments and other assets	178,604	214,967
Total non-current assets	838,454	907,961
Total assets	1,268,862	1,338,251

(Million yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	84,162	94,950
Electronically recorded obligations - operating	11,613	17,502
Short-term borrowings	149,573	142,915
Commercial papers	27,000	-
Current portion of bonds payable	10,000	-
Income taxes payable	3,687	5,446
Provision for bonuses	5,677	6,502
Provision for loss on business withdrawal	2,564	96
Other provisions	108	321
Other	91,395	100,367
<b>Total current liabilities</b>	<b>385,784</b>	<b>368,103</b>
Non-current liabilities		
Bonds payable	50,000	70,000
Long-term borrowings	166,911	157,553
Deferred tax liabilities	18,329	22,038
Retirement benefit liability	21,380	23,005
Provision for retirement benefits for directors (and other officers)	536	548
Provision for special repairs	227	304
Provision for product compensation	4,498	3,829
Provision for loss on business withdrawal	1,924	1,769
Other provisions	472	400
Lease liabilities	26,514	24,805
Asset retirement obligations	9,379	10,930
Other	54,045	58,576
<b>Total non-current liabilities</b>	<b>354,221</b>	<b>373,762</b>
<b>Total liabilities</b>	<b>740,005</b>	<b>741,866</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	86,174	86,174
Capital surplus	49,729	50,051
Retained earnings	342,880	379,125
Treasury shares	(13,738)	(17,942)
<b>Total shareholders' equity</b>	<b>465,045</b>	<b>497,409</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,038	17,475
Deferred gains or losses on hedges	0	(19)
Revaluation reserve for land	3,610	3,697
Foreign currency translation adjustment	13,730	32,230
Remeasurements of defined benefit plans	530	12,418
<b>Total accumulated other comprehensive income</b>	<b>29,911</b>	<b>65,801</b>
<b>Non-controlling interests</b>	<b>33,899</b>	<b>33,174</b>
<b>Total net assets</b>	<b>528,857</b>	<b>596,384</b>
<b>Total liabilities and net assets</b>	<b>1,268,862</b>	<b>1,338,251</b>

# Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	809,542	886,275
Cost of sales	668,324	694,062
Gross profit	141,218	192,213
Selling, general and administrative expenses	136,761	135,743
Operating profit	4,456	56,470
Non-operating income		
Interest income	738	1,859
Dividend income	1,653	2,181
Rental income from real estate	91	95
Share of profit of entities accounted for using equity method	-	861
Foreign exchange gains	-	2,651
Other	2,427	2,970
Total non-operating income	4,911	10,619
Non-operating expenses		
Interest expenses	2,746	3,589
Share of loss of entities accounted for using equity method	2,771	-
Other	2,834	4,027
Total non-operating expenses	8,352	7,616
Ordinary profit	1,015	59,472
Extraordinary income		
Gain on disposal of non-current assets	1,053	1,479
Gain on sale of investment securities	1,307	942
Compensation income	1,766	-
Insurance claim income	-	2,512
Other	221	358
Total extraordinary income	4,348	5,292
Extraordinary losses		
Loss on disposal of non-current assets	5,255	4,865
Loss on sale of investment securities	442	0
Loss on valuation of investment securities	6	4
Impairment losses	6,061	1,333
Business withdrawal loss	7,984	-
Product compensation expenses	1,277	-
Other	702	527
Total extraordinary losses	21,730	6,730
Profit (loss) before income taxes	(16,366)	58,034
Income taxes - current	7,671	15,442
Income taxes - deferred	10,200	(1,083)
Total income taxes	17,872	14,358
Profit (loss)	(34,239)	43,675
Profit (loss) attributable to non-controlling interests	(1,032)	403
Profit (loss) attributable to owners of parent	(33,206)	43,272

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit (loss)	(34,239)	43,675
Other comprehensive income		
Valuation difference on available-for-sale securities	369	5,261
Deferred gains or losses on hedges	(5)	0
Foreign currency translation adjustment	25,042	16,590
Remeasurements of defined benefit plans, net of tax	1,389	11,901
Share of other comprehensive income of entities accounted for using equity method	2,196	3,087
Total other comprehensive income	28,990	36,841
Comprehensive income	(5,248)	80,517
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(6,334)	79,076
Comprehensive income attributable to non-controlling interests	1,086	1,441

Consolidated Statements of Changes in Equity  
For the fiscal year ended March 31, 2023

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	86,174	49,729	384,154	(13,766)	506,291
Changes during period					
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Dividends of surplus			(8,204)		(8,204)
Profit (loss) attributable to owners of parent			(33,206)		(33,206)
Reversal of revaluation reserve for land					-
Purchase of treasury shares				(69)	(69)
Disposal of treasury shares		(28)		97	69
Change in scope of consolidation			135		135
Increasing and decreasing by consolidated subsidiaries merging with unconsolidated subsidiaries			5		5
Increasing and decreasing by absorption split			24		24
Increase (decrease) by share exchanges					-
Transfer from retained earnings to capital surplus		28	(28)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	0	(41,273)	27	(41,245)
Balance at end of period	86,174	49,729	342,880	(13,738)	465,045



	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,737	6	4,897	(11,322)	(992)	4,325	34,181	544,799
Changes during period								
Change in ownership interest of parent due to transactions with non-controlling interests								0
Dividends of surplus								(8,204)
Profit (loss) attributable to owners of parent								(33,206)
Reversal of revaluation reserve for land								-
Purchase of treasury shares								(69)
Disposal of treasury shares								69
Change in scope of consolidation								135
Increasing and decreasing by consolidated subsidiaries merging unconsolidated subsidiaries								5
Increasing and decreasing by absorption split								24
Increase (decrease) by share exchanges								-
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	301	(5)	(1,286)	25,053	1,523	25,585	(281)	25,303
Total changes during period	301	(5)	(1,286)	25,053	1,523	25,585	(281)	(15,941)
Balance at end of period	12,038	0	3,610	13,730	530	29,911	33,899	528,857

For the fiscal year ended March 31, 2024

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	86,174	49,729	342,880	(13,738)	465,045
Changes during period					
Change in ownership interest of parent due to transactions with non-controlling interests		221			221
Dividends of surplus			(8,215)		(8,215)
Profit (loss) attributable to owners of parent			43,272		43,272
Reversal of revaluation reserve for land			1,199		1,199
Purchase of treasury shares				(5,022)	(5,022)
Disposal of treasury shares		140		81	222
Change in scope of consolidation					-
Increasing and decreasing by consolidated subsidiaries merging with unconsolidated subsidiaries					-
Increasing and decreasing by absorption split					-
Increase (decrease) by share exchanges		(52)		736	684
Transfer from retained earnings to capital surplus		11	(11)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	322	36,245	(4,204)	32,363
Balance at end of period	86,174	50,051	379,125	(17,942)	497,409

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	12,038	0	3,610	13,730	530	29,911	33,899	528,857
Changes during period								
Change in ownership interest of parent due to transactions with non-controlling interests								221
Dividends of surplus								(8,215)
Profit (loss) attributable to owners of parent								43,272
Reversal of revaluation reserve for land								1,199
Purchase of treasury shares								(5,022)
Disposal of treasury shares								222
Change in scope of consolidation								-
Increasing and decreasing by consolidated subsidiaries merging with unconsolidated subsidiaries								-
Increasing and decreasing by absorption split								-
Increase (decrease) by share exchanges								684
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	5,436	(20)	86	18,499	11,887	35,890	(725)	35,164
Total changes during period	5,436	(20)	86	18,499	11,887	35,890	(725)	67,527
Balance at end of period	17,475	(19)	3,697	32,230	12,418	65,801	33,174	596,384

## Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(16,366)	58,034
Depreciation	64,419	66,304
Amortization of goodwill	46	41
Share of loss (profit) of entities accounted for using equity method	2,771	(861)
Loss (gain) on valuation of investment securities	6	4
Increase (decrease) in net retirement benefit liability and net retirement benefit asset	(1,461)	(48)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	23	11
Increase (decrease) in provision for bonuses	(574)	821
Increase (decrease) in allowance for doubtful accounts	(532)	63
Increase (decrease) in provision for loss on business withdrawal	4,452	(2,608)
Increase (decrease) in other provisions	997	(288)
Interest and dividend income	(2,392)	(4,040)
Interest expenses	2,746	3,589
Loss (gain) on sale of investment securities	(865)	(942)
Loss (gain) on disposal of non-current assets	4,202	3,385
Impairment losses	6,061	1,333
Decrease (increase) in trade receivables	(18,217)	(21,019)
Decrease (increase) in inventories	(37,165)	18,111
Increase (decrease) in trade payables	9,376	15,152
Other, net	(10,018)	16,112
Subtotal	7,508	153,157
Interest and dividends received	3,211	4,899
Interest paid	(2,740)	(3,597)
Income taxes paid	(8,247)	(13,915)
Net cash provided by (used in) operating activities	(268)	140,543
<b>Cash flows from investing activities</b>		
Decrease (increase) in time deposits	1,937	318
Purchase of non-current assets	(63,401)	(87,159)
Proceeds from sale of non-current assets	1,820	2,236
Purchase of other depreciated assets	(595)	(204)
Proceeds from sale of depreciation and amortization assets	79	-
Purchase of investment securities	(1,991)	(85)
Proceeds from sale and redemption of investment securities	2,048	1,697
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	355	32
Loan advances	(1,242)	(1,472)
Proceeds from collection of loans receivable	660	1,582
Payments for acquisition of businesses	(30,930)	-
Other, net	(2,082)	916
Net cash provided by (used in) investing activities	(93,344)	(82,138)

(Million yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	23,237	(7,677)
Increase (decrease) in commercial papers	6,000	(27,000)
Proceeds from long-term borrowings	144,264	51,830
Repayments of long-term borrowings	(41,826)	(60,795)
Proceeds from issuance of bonds	-	20,000
Redemption of bonds	-	(10,000)
Purchase of treasury shares	(12)	(5,024)
Dividends paid	(8,204)	(8,215)
Dividends paid to non-controlling interests	(942)	(138)
Other, net	(10,435)	(12,455)
Net cash provided by (used in) financing activities	112,080	(59,476)
Effect of exchange rate change on cash and cash equivalents	2,048	1,350
Net increase (decrease) in cash and cash equivalents	20,515	278
Cash and cash equivalents at beginning of period	50,213	70,828
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	50	-
Increase in cash and cash equivalents resulting from merger	48	39
Cash and cash equivalents at end of period	70,828	71,146

## Consolidated Segment Information

### Reportable Segments

For the Fiscal Year Ended March 31, 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	545,742	61,929	73,456	67,081	748,210	61,331	809,542	-	809,542
Inter-segment sales	7,299	20,776	4,454	1,188	33,718	25,594	59,313	(59,313)	-
Total	553,041	82,706	77,911	68,270	781,929	86,926	868,855	(59,313)	809,542
Segment income	(14,898)	5,556	5,871	2,351	(1,119)	5,108	3,989	466	4,456

For the Fiscal Year Ended March 31, 2024

(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	621,626	64,378	64,503	72,230	822,738	63,536	886,275	-	886,275
Inter-segment sales	8,243	23,296	3,751	1,225	36,517	25,860	62,378	(62,378)	-
Total	629,870	87,674	68,254	73,456	859,255	89,397	948,653	(62,378)	886,275
Segment income	32,783	8,455	6,138	4,208	51,585	4,691	56,276	193	56,470

### Geographic Segments

For the Fiscal Year Ended March 31, 2023

(Million yen)

	Japan	U.S.A.	Other	Total
Net sales	491,170	227,801	90,570	809,542
Non-current assets	405,405	169,731	44,946	620,083

For the Fiscal Year Ended March 31, 2024

(Million yen)

	Japan	U.S.A.	Other	Total
Net sales	534,537	279,001	72,736	886,275
Non-current assets	405,777	185,664	62,468	653,910