

Consolidated Financial Results

For the Third Quarter Ended December 31, 2023

Company name: IBIDEN CO., LTD.

Stock exchange listings: Tokyo and Nagoya Stock Exchange (Code number: 4062)

URL: <https://www.ibiden.com/>

Representative: Takeshi Aoki, President & CEO, Representative Director

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(Amounts less than one million yen are omitted)

1. Consolidated Financial Results for FY 2023 Third quarter (From April 1, 2023 to December 31, 2023)

(1) Operating results

(Percentage figures indicate the change from the same period of the prior fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2023 3rd quarter	280,167	(11.5)	36,947	(39.6)	40,407	(37.8)	27,395	(37.8)
FY 2022 3rd quarter	316,681	5.8	61,175	12.4	64,959	13.1	44,055	17.7

Note: Comprehensive income

FY2023 3rd quarter : 48,032 million yen (-0.3%) FY2022 3rd quarter : 48,187 million yen (7.4%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY 2023 3rd quarter	196.13	—
FY 2022 3rd quarter	315.51	—

(2) Financial positions

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
FY 2023 3rd quarter	906,464	468,174	50.9
FY 2022	857,508	425,606	48.9

Note: Owner's equity

As of December 31, 2023 : 461,514 million yen As of March 31, 2023 : 419,238 million yen

2. Notes

(1) Material changes in subsidiaries during this period : Yes

Excluded: 2 companies (IBIDEN Electronics (Beijing) Co., Ltd, IBIDEN DPF France S.A.S)

(2) Applying of specific accounting of the consolidated quarterly financial statements : Yes

The provision for income taxes is computed by multiplying profit before income taxes by estimated annual effective tax rates.

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

(i) Changes in accounting policies based on revisions of accounting standard: None

(ii) Changes in accounting policies other than the above: None

(iii) Changes in accounting estimates: None

(iv) Retrospective restatement: None

(4) Number of shares issued and outstanding (common stock)

(i) Number of shares outstanding (including treasury stock):

As of December 31, 2023	140,860,557 shares	As of March 31, 2023	140,860,557 shares
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(ii) Number of treasury stock :

As of December 31, 2023	1,166,268 shares	As of March 31, 2023	1,211,148 shares
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(iii) Average number of shares::

As of December 31, 2023	139,679,835 shares	As of December 31, 2022	139,632,916 shares
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* **This quarterly financial result is not subject to auditing firms' quarterly review procedure.**

Consolidated balance sheet

	(Million yen)		
	As of Dec 31,2023	As of Mar 31,2023	Increase (Decrease)
Assets			
Current assets			
Cash and deposits	277,411	302,419	(25,007)
Notes and accounts receivable - trade, and contract assets	79,155	75,942	3,213
Electronically recorded monetary claims	4,549	3,563	986
Merchandise and finished goods	22,604	30,871	(8,266)
Work in process	19,321	21,191	(1,869)
Raw materials and supplies	25,383	27,132	(1,749)
Other current assets	24,816	15,765	9,051
Allowance for doubtful accounts	(78)	(59)	(18)
Total current assets	453,164	476,825	(23,661)
Non-current assets			
Property, plant and equipment			
Buildings and structures	75,283	77,000	(1,716)
Machinery, equipment and vehicles	71,511	82,147	(10,635)
Land	20,544	20,360	184
Lease assets	263	253	10
Construction in progress	184,147	119,038	65,108
Other - property, plant and equipment	7,564	8,167	(603)
Total property, plant and equipment	359,314	306,967	52,347
Intangible assets	4,708	5,179	(470)
Investments and other assets			
Investment securities	83,828	61,342	22,485
Long-term loans receivable	8	8	0
Deferred tax assets	4,003	5,533	(1,530)
Other assets	1,672	1,889	(216)
Allowance for doubtful accounts	(236)	(238)	2
Total investments and other assets	89,276	68,536	20,740
Total non-current assets	453,300	380,682	72,617
Total assets	906,464	857,508	48,956

(Continued)

	(Million yen)		
	As of Dec 31, 2023	As of Mar 31, 2023	Increase (Decrease)
Liabilities and net assets			
Liabilities			
Current liabilities			
Notes and accounts payable – trade	31,742	28,262	3,479
Electronically recorded obligations	10,643	12,169	(1,525)
Short-term loans payable	55,030	65,030	(10,000)
Current portion of bonds	35,000	—	35,000
Accounts payable - other	23,670	22,308	1,362
Income taxes payable	1,521	14,268	(12,747)
Provision for bonuses	2,157	5,138	(2,980)
Provision for bonuses for directors	—	186	(186)
Notes payable - facilities	17	1	16
Electronically recorded obligations - facilities	46,781	26,601	20,179
Other - current liabilities	43,013	49,354	(6,341)
Total current liabilities	249,579	223,321	26,257
Non-current liabilities			
Bonds payable	65,000	100,000	(35,000)
Long-term loans payable	115,000	105,000	10,000
Lease obligations	148	167	(18)
Deferred tax liabilities for land revaluation	68	68	—
Retirement benefit liability	685	573	111
Provision for share-based compensation	528	548	(19)
Deferred tax liabilities	5,909	825	5,084
Other - non-current liabilities	1,370	1,398	(28)
Total non-current liabilities	188,711	208,581	(19,870)
Total liabilities	438,290	431,902	6,387

(Continued)

	(Million yen)		
	As of Dec 31, 2023	As of Mar 31, 2023	Increase (Decrease)
Net assets			
Shareholders' equity			
Capital stock	64,152	64,152	—
Capital surplus	64,494	64,494	—
Retained earnings	251,604	229,804	21,799
Treasury shares	(2,980)	(3,126)	146
Total shareholders' equity	377,270	355,324	21,945
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	40,213	24,430	15,782
Revaluation reserve for land	160	160	—
Foreign currency translation adjustment	43,870	39,323	4,547
Total accumulated other comprehensive income	84,244	63,914	20,329
Non-controlling interests	6,659	6,367	292
Total net assets	468,174	425,606	42,568
Total liabilities and net assets	906,464	857,508	48,956

(Concluded)

Consolidated statement of income

(Million yen)

	FY 2023 3rd quarter	FY 2022 3rd quarter	Increase (Decrease)
Net sales	280,167	316,681	(36,513)
Cost of sales	202,318	214,077	(11,758)
Gross profit	77,849	102,604	(24,755)
Selling, general and administrative expenses	40,901	41,429	(527)
Operating profit	36,947	61,175	(24,227)
Non-operating income (expenses)	3,459	3,783	(324)
Interest income	908	600	308
Dividends income	1,688	1,547	141
Share of profit(loss) of entities accounted for using equity method	0	0	0
Foreign exchange gain(losses), net	859	1,674	(814)
Interest expenses	(507)	(262)	(244)
Bond issuance cost	—	(197)	197
Other, net	511	422	89
Ordinary profit	40,407	64,959	(24,551)
Extraordinary income (losses)	353	(2,972)	3,326
Gain on sales of non-current assets	13	78	(64)
Gain on sales of Investment securities	0	20	(20)
Insurance claim income	—	161	(161)
Gain on sales of shares of subsidiaries and associates	3,067	—	3,067
Subsidy income	136	—	136
Loss on retirement of non-current assets	(1,535)	(2,842)	1,307
Impairment loss	(489)	(95)	(394)
Loss on reduction of non-current assets	(136)	—	(136)
Other, net	(703)	(294)	(409)
Profit before income taxes	40,761	61,986	(21,225)
Income taxes	(13,132)	(17,744)	4,611
Profit	27,628	44,242	(16,614)
Profit attributable to:			
Non-controlling interests	232	187	44
Owners of parent	27,395	44,055	(16,659)

Consolidated statement of comprehensive income

	(Million yen)		
	FY 2023	FY 2022	Increase
	3rd quarter	3rd quarter	(Decrease)
Profit	27,628	44,242	(16,614)
Other comprehensive income (loss)			
Valuation difference on available-for-sale securities	15,851	(4,892)	20,743
Foreign currency translation adjustments	4,552	8,837	(4,284)
Total other comprehensive income (loss)	20,404	3,944	16,459
Comprehensive income (loss)	48,032	48,187	(155)
Comprehensive income (loss) attributable to:			
Owners of parent	47,725	48,038	(313)
Non-controlling interests	306	149	157

Segment Information

FY 2022 3rd quarter (From April 1, 2022 to December 31, 2022)

(1) Sales and profit information of each Segment

						(Million yen)
	Reportable Segment			Total	Adjustment (*2)	Consolidated Statements of Income(*3)
	Electronics	Ceramics	Others (*1)			
Net sales						
Revenue from contracts with customers	196,011	66,040	54,630	316,681	—	316,681
Sales to third parties	196,011	66,040	54,630	316,681	—	316,681
Intersegment sales and transfers	3	73	11,041	11,118	(11,118)	—
Total	196,014	66,113	65,671	327,800	(11,118)	316,681
Segment profit (loss)	53,309	4,703	3,433	61,446	(271)	61,175

*1 The "Others" section refers to businesses that are not included in a reportable segment.

*2 The (271) million yen adjustment to segment profit (loss) is an elimination for intersegment transactions and corporate expenses that cannot be allocated to reportable segments.

*3 Segment profit (loss) is reconciled to operating income in the Consolidated statements of income.

(2) Impairment losses on non-current assets, goodwill, etc.by reporting segment

Not applicable

FY 2023 3rd quarter (From April 1, 2023 to December 31, 2023)

(1) Sales and profit information of each Segment

						(Million yen)
	Reportable Segment			Total	Adjustment (*2)	Consolidated Statements of Income(*3)
	Electronics	Ceramics	Others (*1)			
Net sales						
Revenue from contracts with customers	148,185	72,879	59,102	280,167	—	280,167
Sales to third parties	148,185	72,879	59,102	280,167	—	280,167
Intersegment sales and transfers	4	32	10,337	10,374	(10,374)	—
Total	148,190	72,911	69,440	290,542	(10,374)	280,167
Segment profit (loss)	23,665	9,173	4,216	37,055	(107)	36,947

*1 The "Others" section refers to businesses that are not included in a reportable segment.

*2 The (107) millions of yen adjustment to segment profit (loss) is an elimination for intersegment transactions and corporate expenses which cannot be allocated to reportable segments.

*3 Segment profit (loss) is reconciled to operating income in the Consolidated statements of income.

(2) Impairment losses on non-current assets, goodwill, etc.by reporting segment

For idle assets, the Company lowered the book value to the expected recoverable amount. As a result, the Company recognised an impairment loss of 489 million yen for this fiscal year.