

Consolidated Financial Results

For the Second Quarter Ended September 30, 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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Filing date of quarterly securities report: October 31, 2023

(Amounts less than one million yen are omitted)

1. Consolidated Financial Results for FY 2023 Second quarter (From April 1, 2023 to September 30, 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 2nd quarter	187,640	(12.1)	24,072	(41.9)	26,824	(41.1)	17,892	(43.8)
FY 2022 2nd quarter	213,579	9.1	41,404	18.2	45,536	27.2	31,812	42.9

Note: Comprehensive income

FY2023 2nd quarter : 47,226 million yen (-0.8%) FY2022 2nd quarter : 47,629 million yen (95.7%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY 2023 2nd quarter	128.10	-
FY 2022 2nd quarter	227.84	-

(2) Financial positions

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
FY 2023 2nd quarter	898,076	470,166	51.6
FY 2022	857,508	425,606	48.9

Note: Owner's equity

As of September 30, 2023 : 463,564 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 September 30, 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 September 30, 2023	1,166,596 shares	As of March 31, 2023	1,211,148 shares
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(iii) Average number of shares::

As of September 30, 2023	139,672,639 shares	As of September 30, 2022	139,624,411 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 Sep 30,2023	As of Mar 31,2023	Increase (Decrease)
Assets			
Current assets			
Cash and deposits	296,591	302,419	(5,828)
Notes and accounts receivable - trade, and contract assets	77,393	75,942	1,451
Electronically recorded monetary claims	3,754	3,563	191
Merchandise and finished goods	22,127	30,871	(8,743)
Work in process	18,038	21,191	(3,152)
Raw materials and supplies	25,769	27,132	(1,363)
Other current assets	19,602	15,765	3,837
Allowance for doubtful accounts	(73)	(59)	(13)
Total current assets	463,203	476,825	(13,622)
Non-current assets			
Property, plant and equipment			
Buildings and structures	78,007	77,000	1,006
Machinery, equipment and vehicles	75,484	82,147	(6,662)
Land	20,606	20,360	246
Lease assets	264	253	11
Construction in progress	156,180	119,038	37,142
Other - property, plant and equipment	8,081	8,167	(85)
Total property, plant and equipment	338,626	306,967	31,659
Intangible assets	4,822	5,179	(356)
Investments and other assets			
Investment securities	86,122	61,342	24,779
Long-term loans receivable	8	8	0
Deferred tax assets	3,697	5,533	(1,836)
Other assets	1,832	1,889	(57)
Allowance for doubtful accounts	(236)	(238)	2
Total investments and other assets	91,423	68,536	22,887
Total non-current assets	434,872	380,682	54,189
Total assets	898,076	857,508	40,567

(Continued)

	(Million yen)		
	As of Sep 30,2023	As of Mar 31,2023	Increase (Decrease)
Liabilities and net assets			
Liabilities			
Current liabilities			
Notes and accounts payable – trade	28,157	28,262	(105)
Electronically recorded obligations	10,777	12,169	(1,391)
Short-term loans payable	45,030	65,030	(20,000)
Current portion of bonds	35,000	—	35,000
Accounts payable - other	20,867	22,308	(1,440)
Income taxes payable	8,875	14,268	(5,393)
Provision for bonuses	5,104	5,138	(34)
Provision for bonuses for directors	—	186	(186)
Notes payable - facilities	15	1	14
Electronically recorded obligations - facilities	27,897	26,601	1,296
Other - current liabilities	46,819	49,354	(2,535)
Total current liabilities	228,544	223,321	5,223
Non-current liabilities			
Bonds payable	65,000	100,000	(35,000)
Long-term loans payable	125,000	105,000	20,000
Lease obligations	157	167	(10)
Deferred tax liabilities for land revaluation	68	68	—
Retirement benefit liability	688	573	115
Provision for share-based compensation	497	548	(50)
Deferred tax liabilities	6,526	825	5,700
Other - non-current liabilities	1,427	1,398	29
Total non-current liabilities	199,365	208,581	(9,215)
Total liabilities	427,909	431,902	(3,992)

(Continued)

	(Million yen)		
	As of Sep 30,2023	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	244,899	229,804	15,094
Treasury shares	(2,980)	(3,126)	146
Total shareholders' equity	370,565	355,324	15,240
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	41,818	24,430	17,387
Revaluation reserve for land	160	160	—
Foreign currency translation adjustment	51,021	39,323	11,697
Total accumulated other comprehensive income	92,999	63,914	29,085
Non-controlling interests	6,601	6,367	233
Total net assets	470,166	425,606	44,560
Total liabilities and net assets	898,076	857,508	40,567
			(Concluded)

Consolidated statement of income

			(Million yen)
	FY 2023	FY 2022	Increase
	2nd quarter	2nd quarter	(Decrease)
Net sales	187,640	213,579	(25,938)
Cost of sales	136,435	144,903	(8,467)
Gross profit	51,204	68,675	(17,470)
Selling, general and administrative expenses	27,131	27,270	(139)
Operating profit	24,072	41,404	(17,331)
Non-operating income (expenses)	2,751	4,132	(1,380)
Interest income	626	262	363
Dividends income	867	799	67
Share of profit(loss) of entities accounted for using equity method	1	0	1
Foreign exchange gain(losses), net	1,119	3,034	(1,915)
Interest expenses	(303)	(127)	(175)
Bond issuance cost	—	(197)	197
Other, net	441	360	81
Ordinary profit	26,824	45,536	(18,712)
Extraordinary income (losses)	1,374	(2,361)	3,735
Gain on sales of non-current assets	4	75	(71)
Gain on sales of Investment securities	0	19	(19)
Insurance claim income	—	105	(105)
Gain on sales of shares of subsidiaries and associates	3,067	—	3,067
Loss on retirement of non-current assets	(811)	(2,218)	1,406
Impairment loss	(489)	(90)	(398)
Other, net	(397)	(253)	(144)
Profit before income taxes	28,198	43,175	(14,976)
Income taxes	(10,172)	(11,232)	1,059
Profit	18,025	31,942	(13,917)
Profit attributable to:			
Non-controlling interests	133	130	2
Owners of parent	17,892	31,812	(13,919)

Consolidated statement of comprehensive income

	(Million yen)		
	FY 2023 2nd quarter	FY 2022 2nd quarter	Increase (Decrease)
Profit	18,025	31,942	(13,917)
Other comprehensive income (loss)			
Valuation difference on available-for-sale securities	17,480	(5,473)	22,954
Foreign currency translation adjustments	11,720	21,160	(9,440)
Total other comprehensive income (loss)	29,200	15,687	13,513
Comprehensive income (loss)	47,226	47,629	(403)
Comprehensive income (loss) attributable to:			
Owners of parent	46,977	47,504	(526)
Non-controlling interests	248	125	123

Segment Information

FY 2022 2nd quarter (From April 1, 2022 to September 30, 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	134,316	44,297	34,964	213,579	—	213,579
Sales to third parties	134,316	44,297	34,964	213,579	—	213,579
Intersegment sales and transfers	—	41	7,039	7,080	(7,080)	—
Total	134,316	44,338	42,004	220,659	(7,080)	213,579
Segment profit (loss)	35,456	3,852	2,317	41,627	(223)	41,404

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

*2 The (223) 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 2nd quarter (From April 1, 2023 to September 30, 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	102,579	48,110	36,950	187,640	—	187,640
Sales to third parties	102,579	48,110	36,950	187,640	—	187,640
Intersegment sales and transfers	2	23	6,719	6,745	(6,745)	—
Total	102,582	48,133	43,669	194,385	(6,745)	187,640
Segment profit (loss)	15,991	5,757	2,461	24,209	(137)	24,072

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

*2 The (137) 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.