



Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022

[Japanese GAAP]

November 8, 2022

Company Name	NORITAKE CO., LIMITED
Stock Exchange Listings	Tokyo, Nagoya
Code Number	5331
URL	https://www.noritake.co.jp/eng/
Representative	Hiroshi Kato, President
Contact Person	Munenari Mizukuchi, General Manager of Finance and Accounting Dept. (Tel: +81-52-561-7116)

(Fiscal Year 2023 : Year ending March 31, 2023)

(Millions of Yen: Amounts less than 1 million yen are omitted.)

1. Consolidated Financial Results for the Six Months of Fiscal Year 2023 (April 1, 2022-September 30, 2022)

(1) Operating Results

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
Six months of FY 2023	67,801	10.3%	4,533	8.1%	6,580	15.7%
Six months of FY 2022	61,459	22.5%	4,194	—	5,686	765.8%

(Note) Comprehensive income : Six months of FY 2023 : 7,601 million yen 123.9%
Six months of FY 2022 : 3,395 million yen 51.5%

	Profit Attributable to Owners of Parent		Basic Earnings per Share	Diluted Earnings per Share
	Millions of Yen	Change	Yen	Yen
Six months of FY 2023	5,175	23.1%	358.61	—
Six months of FY 2022	4,206	—	291.40	—

(2) Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Shareholders' Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
2nd quarter of FY 2023	175,361	125,654	71.2	8,652.56
FY 2022	163,562	118,800	72.2	8,183.66

(Reference) Shareholders' Equity : 2nd quarter of FY 2023 : 124,885 million yen
FY 2022 : 118,120 million yen

2. Dividends

	Dividends per Share		
	Interim (Yen)	Year-End (Yen)	Total (Yen)
FY 2022	70.00	80.00	150.00
FY 2023 (Actual)	90.00	—	—
FY 2023 (Forecast)	—	90.00	180.00

(Note) Revisions to forecast of dividends per share for FY 2023: Yes

3. Forecast for Fiscal Year 2023 *

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2023	142,000	11.2%	9,000	(3.8%)	12,500	(0.1%)
	Profit Attributable to Owners of Parent		Basic Earnings per Share			
	Millions of Yen	Change	Yen			
FY 2023	10,000	10.3%	692.84			

(Note) Revisions to forecast of consolidated financial results : Yes

4. Other Information

- (1) Status changes of specified subsidiaries involving changes in the scope of consolidation : None
- (2) Adoption of accounting methods used specifically for quarterly consolidated financial statements : None
- (3) Change in accounting policies, accounting estimates or restatement
 - ① Changes in accordance with revision of accounting standards : None
 - ② Other changes in accounting policies : None
 - ③ Changes in accounting estimates : None
 - ④ Restatement : None

(4) Number of shares outstanding (Common Shares)

	Outstanding shares at end of period (including treasury shares)	Treasury shares at end of period		Average number of shares outstanding over period
2nd quarter of FY 2023	14,842,849	409,513	2nd quarter of FY 2023	14,433,568
FY 2022	14,842,849	409,107	2nd quarter of FY 2022	14,434,306

* Cautionary Statement:

1. This report is not subject to quarterly review procedures by certified public accountants or auditing firms.
2. Forecast for FY 2023 is based on management's assumptions and beliefs in the light of information currently available. A number of important risks and uncertainties could cause actual results to differ materially from it, therefore Noritake suggests that you should not place undue reliance on it for investment purpose and so forth.

CONSOLIDATED BALANCE SHEETS

	FY 2022	FY 2023 2Q
	As of March 31, 2022	As of September 30, 2022
	Millions of Yen	Millions of Yen
Assets		
Current assets		
Cash and deposits	14,169	13,128
Notes and accounts receivable - trade	29,014	32,353
Electronically recorded monetary claims - operating	4,613	5,325
Merchandise and finished goods	10,082	14,315
Work in process	6,671	8,275
Raw materials and supplies	6,456	8,015
Other	2,781	2,789
Allowance for doubtful accounts	(129)	(126)
Total current assets	73,660	84,076
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,328	18,199
Other, net	26,588	27,312
Total property, plant and equipment	44,917	45,512
Intangible assets	1,588	1,806
Investments and other assets		
Investment securities	38,330	38,766
Retirement benefit asset	3,825	3,777
Other	1,356	1,543
Allowance for doubtful accounts	(116)	(122)
Total investments and other assets	43,396	43,965
Total non-current assets	89,902	91,284
Total assets	163,562	175,361

	FY 2022	FY 2023 2Q
	As of March 31, 2022	As of September 30, 2022
	Millions of Yen	Millions of Yen
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,039	10,088
Electronically recorded obligations - operating	8,752	11,632
Short-term borrowings	5,600	8,579
Current portion of long-term borrowings	900	900
Income taxes payable	1,991	1,373
Provision for bonuses	1,641	1,627
Notes payable - facilities	91	136
Electronically recorded obligations - non-operating	580	975
Other	5,634	4,986
Total current liabilities	35,234	40,300
Non-current liabilities		
Provisions	682	708
Retirement benefit liability	1,559	1,566
Other	7,285	7,131
Total non-current liabilities	9,527	9,406
Total liabilities	44,762	49,706
Net assets		
Shareholders' equity		
Share capital	15,632	15,632
Capital surplus	18,502	18,593
Retained earnings	71,983	76,412
Treasury shares	(1,161)	(1,253)
Total shareholders' equity	104,957	109,383
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,647	13,397
Foreign currency translation adjustment	(2,502)	300
Remeasurements of defined benefit plans	2,018	1,803
Total accumulated other comprehensive income	13,163	15,501
Non-controlling interests	679	769
Total net assets	118,800	125,654
Total liabilities and net assets	163,562	175,361

CONSOLIDATED STATEMENTS OF INCOME

	FY 2022 2Q (April 1, 2021 through September 30, 2021)	FY 2023 2Q (April 1, 2022 through September 30, 2022)
	Millions of Yen	Millions of Yen
Net sales	61,459	67,801
Cost of sales	44,633	50,176
Gross profit	16,825	17,625
Selling, general and administrative expenses		
Selling expenses	8,418	8,692
General and administrative expenses	4,212	4,399
Total selling, general and administrative expenses	12,630	13,092
Operating profit	4,194	4,533
Non-operating income		
Interest income	20	46
Dividend income	370	547
Rental income	233	255
Foreign exchange gains	201	435
Share of profit of entities accounted for using equity method	660	741
Other	138	131
Total non-operating income	1,625	2,158
Non-operating expenses		
Interest expenses	12	8
Rental expenses on non-current assets	81	65
Other	40	37
Total non-operating expenses	134	111
Ordinary profit	5,686	6,580
Extraordinary income		
Gain on sale of non-current assets	0	2
Gain on sale of investment securities	3	—
Total extraordinary income	4	2
Extraordinary losses		
Loss on disposal of non-current assets	219	152
Disposal costs of buried objects	285	—
Other	8	0
Total extraordinary losses	513	153
Profit before income taxes	5,177	6,429
Income taxes - current	1,140	1,363
Income taxes - deferred	(178)	(115)
Total income taxes	961	1,248
Profit	4,215	5,180
Profit attributable to non-controlling interests	9	4
Profit attributable to owners of parent	4,206	5,175

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	FY 2022 2Q (April 1, 2021 through September 30, 2021)	FY 2023 2Q (April 1, 2022 through September 30, 2022)
	Millions of Yen	Millions of Yen
Profit	4,215	5,180
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,514)	(249)
Foreign currency translation adjustment	812	2,851
Remeasurements of defined benefit plans, net of tax	(117)	(214)
Share of other comprehensive income of entities accounted for using equity method	(0)	33
Total other comprehensive income	(819)	2,420
Comprehensive income	3,395	7,601
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,351	7,514
Comprehensive income attributable to non-controlling interests	43	87

CONSOLIDATED STATEMENTS OF CASH FLOWS

	FY 2022 2Q (April 1, 2021 through September 30, 2021)	FY 2023 2Q (April 1, 2022 through September 30, 2022)
	Millions of Yen	Millions of Yen
Cash flows from operating activities		
Profit before income taxes	5,177	6,429
Depreciation	2,314	2,355
Increase (decrease) in allowance for doubtful accounts	96	(8)
Increase (decrease) in net defined benefit liability and asset	(228)	(251)
Increase (decrease) in provisions	14	25
Interest and dividend income	(390)	(594)
Interest expenses	12	8
Share of loss (profit) of entities accounted for using equity method	(660)	(741)
Loss (gain) on sale of short-term and long-term investment securities	(3)	—
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	503	150
Decrease (increase) in trade receivables	(2,283)	(3,210)
Decrease (increase) in inventories	(889)	(6,748)
Increase (decrease) in trade payables	1,718	2,803
Other, net	201	(220)
Subtotal	<u>5,580</u>	<u>(2)</u>
Interest and dividends received	390	594
Interest paid	(12)	(8)
Income taxes paid	(513)	(1,949)
Net cash provided by (used in) operating activities	<u>5,445</u>	<u>(1,366)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,081)	(2,474)
Proceeds from sale of property, plant and equipment and intangible assets	28	15
Purchase of investment securities	(146)	(16)
Proceeds from sale of investment securities	10	—
Loan advances	(88)	(74)
Proceeds from collection of loans receivable	10	13
Payments into time deposits	(1,846)	(2,342)
Proceeds from withdrawal of time deposits	1,962	2,461
Other, net	(7)	(232)
Net cash provided by (used in) investing activities	<u>(2,158)</u>	<u>(2,649)</u>
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(49)	3,005
Repayments of long-term borrowings	(4)	—
Proceeds from sale of treasury shares	—	269
Purchase of treasury shares	(2)	(271)
Dividends paid	(439)	(1,171)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(2,483)	—
Other, net	(17)	(35)
Net cash provided by (used in) financing activities	<u>(2,997)</u>	<u>1,795</u>
Effect of exchange rate change on cash and cash equivalents	235	436
Net increase (decrease) in cash and cash equivalents	<u>525</u>	<u>(1,783)</u>
Cash and cash equivalents at beginning of period	9,741	11,733
Increase(decrease) in cash and cash equivalents resulting from unifying financial report period of consolidated subsidiaries	—	415
Cash and cash equivalents at end of period	<u>10,266</u>	<u>10,366</u>

NOTES ON QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

(Notes on Premise of Going Concern)

Not applicable.

(Notes on Significant Changes in Shareholder's Equity)

Not applicable.

(Additional information)

(Changes in matters regarding the fiscal term of consolidated subsidiaries)

For foreign subsidiaries whose fiscal year ending on December 31 (Noritake Co., Inc. and eleven other companies), Noritake has traditionally used their financial statements as of December 31 to prepare the consolidated financial statements, with necessary adjustments for any material transactions occurring during the period between the subsidiary's fiscal year-end and the consolidated fiscal year-end.

From FY2023, Noritake has changed to the method that using their financial statements based on the provisional settlement of accounts as of the consolidated fiscal year-end date, March 31, to provide more appropriate disclosure on the consolidated financial statements.

Profits and losses for applicable foreign subsidiaries from January 1, 2022 to March 31, 2022 have been adjusted as changes in retained earnings. As a result, retained earnings increased by 424 million yen.

SEGMENT INFORMATION

FY 2022 2Q (April 1, 2021 through September 30, 2021)					(Millions of Yen)
	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total
Net sales:					
Revenue from contracts with customers	28,000	20,778	10,185	2,495	61,459
Sales to external customers	28,000	20,778	10,185	2,495	61,459
Operating profit (loss)	1,253	2,884	775	(718)	4,194

FY 2023 2Q (April 1, 2022 through September 30, 2022)					(Millions of Yen)
	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total
Net sales:					
Revenue from contracts with customers	29,321	24,986	10,367	3,125	67,801
Sales to external customers	29,321	24,986	10,367	3,125	67,801
Operating profit (loss)	1,478	2,797	564	(307)	4,533