

**Consolidated Financial Results**  
**For the First Quarter of the Fiscal Year Ending March 31, 2024**  
**(For the First Three Months Ended June 30, 2023)**



Prepared in Conformity with Generally Accepted Accounting Principles in Japan  
 English Translation from the Original Japanese-Language Document

August 8, 2023

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Filing of *Shihanki Hokokusho*,  
 quarterly securities report : Scheduled for August 10, 2023  
 Payment of Dividends : -  
 Supplementary Material : Yes  
 Briefing Session : Yes (Intended for securities analysts, institutional investors and media)

(in Japanese yen rounded to millions, except amounts per share)

**1. Consolidated Financial Highlights (April 1, 2023 through June 30, 2023)**

**(1) Consolidated Financial Results**

(Percentage indicates change from same period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
<b>FY2024 1st quarter</b>	<b>1,090,971</b>	<b>76.8</b>	<b>30,025</b>	-	<b>63,922</b>	<b>208.3</b>	<b>37,242</b>	<b>148.3</b>
FY2023 1st quarter	617,223	(23.2)	(19,528)	-	20,731	(21.8)	14,997	31.8

Note: Comprehensive income  
**FY2024 1st quarter** **73,837 millions of yen** ( **44.5 %** )  
**FY2023 1st quarter** **51,083 millions of yen** ( **142.5 %** )

	Net Income Per Share	Net Income Per Share (Diluted)
<b>FY2024 1st quarter</b>	<b>59.11</b>	<b>59.07</b>
FY2023 1st quarter	23.81	23.79

**(2) Consolidated Financial Position**

	Total Assets	Net Assets	Equity Ratio
As of	millions of yen	millions of yen	%
<b>June 30, 2023</b>	<b>3,261,635</b>	<b>1,514,802</b>	<b>45.9</b>
March 31, 2023	3,259,251	1,456,801	44.2

Reference: Net Assets excluding non-controlling interests

**As of June 30, 2023** **1,497,028 millions of yen**  
 As of March 31, 2023 1,439,598 millions of yen

**2. Dividends**

	Dividends Per Share				
	1st. Qtr.	2nd. Qtr.	3rd. Qtr.	Year End	Full-Year
FY2023	yen -	yen 20.00	yen -	yen 25.00	yen 45.00
<b>FY2024</b>	-				
<b>FY2024 (Forecast)</b>		<b>20.00</b>	-	<b>25.00</b>	<b>45.00</b>

Note: Revision of the dividend forecast most recently announced: No

**3. Consolidated Financial Forecast (April 1, 2023 through March 31, 2024)**

(Percentage indicates change from the previous fiscal year)

	Net sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income Per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
<b>FY2024 Full Year</b>	<b>4,500,000</b>	<b>17.6</b>	<b>180,000</b>	<b>26.8</b>	<b>172,000</b>	<b>(7.5)</b>	<b>130,000</b>	<b>(9.0)</b>	<b>206.32</b>

Note: Revision of the consolidated financial forecast most recently announced: No

**Notes:**

**(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation):** None

Newly added subsidiaries: None Excluded subsidiaries: None

**(2) Application of accounting treatment specific to preparation of quarterly consolidated financial statements:** None

**(3) Changes in accounting policies / Changes in accounting estimates / Restatement:**

1) Changes in accounting policies with accompanying revision of accounting standards	None
2) Voluntary changes in accounting policies except 1)	None
3) Changes in accounting estimates	None
4) Restatement	None

**(4) Number of outstanding shares (Common stock)**

1) Number of outstanding shares (including treasury stock)		
	<b>As of June 30, 2023</b>	<b>631,803,979 shares</b>
	As of March 31, 2023	631,803,979 shares
2) Number of treasury stock		
	<b>As of June 30, 2023</b>	<b>1,727,265 shares</b>
	As of March 31, 2023	1,841,110 shares
3) Average number of outstanding shares		
	<b>For 3 months ended June 30, 2023</b>	<b>630,000,021 shares</b>
	For 3 months ended June 30, 2022	629,920,628 shares

**This document is out of the scope of the quarterly review by certified public accountants or accounting auditor.**

**Cautionary Statements with Respect to Forward-Looking Statements**

The financial forecast and other descriptions of the future presented in this document are an outlook based on our judgments and projections. The judgments and projections are based on information presently available. As such, the financial forecast and future descriptions are subject to uncertainties and risks, and are not contemplated to ensure the fulfillment thereof. Accordingly, the actual financial performance may vary significantly due to various factors.

For detail such as precondition of the financial forecast, please refer to "1. Qualitative Information on Consolidated Results for the Quarterly Period - (3) Future Estimates such as Consolidated Financial Forecast" on page 3 of the attachment.

**ATTACHMENT**

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**(Reference)**

**Financial Summary (Consolidated)**

**For the First Quarter of the Fiscal Year Ending March 31, 2024**

# 1. Qualitative Information on Consolidated Results for the Quarterly period

## (1) Consolidated Financial Results

(Global Sales)

Global sales volume for the first three months of the fiscal year ending March 31, 2024 was 309 thousand units, up 32.4% year on year. In addition to the recovery from supply constraints caused by Shanghai lockdown last year, the Large Product models introduced in the previous fiscal year drove the increase in sales volume.

(In thousand units)

	FY 2023 First 3 Months (Apr.'22-Jun.'22)	FY 2024 First 3 Months (Apr.'23-Jun.'23)	vs. Prior Year	
			Volume	Rate (%)
Japan	25	42	17	69.7 %
North America	79	128	49	61.2 %
Europe	30	44	14	45.6 %
China	24	20	(4)	(16.7)%
Other	75	75	(0)	(0.3)%
Total	233	309	76	32.4 %

< Breakdown >

USA	61	95	35	57.6 %
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(Consolidated financial result)

Financial performance on a consolidated basis for the first three months of the fiscal year ending March 31, 2024 was as follows. Net sales amounted to ¥1,091.0 billion, an increase of ¥473.8 billion or 76.8% compared to the corresponding period in the previous fiscal year. Operating income amounted to ¥30.0 billion. (For the first three months of the previous fiscal year, operating loss was ¥19.5 billion.) Ordinary income amounted to ¥63.9 billion, an increase of ¥43.2 billion or 208.3% compared to the corresponding period in the previous fiscal year. Net income attributable to owners of the parent amounted to ¥37.2 billion, an increase of ¥22.2 billion or 148.3% compared to the corresponding period in the previous fiscal year, reflecting the factors such as income taxes of ¥25.5 billion.

Operating income changes (an increase of ¥49.5 billion compared to the corresponding period in the previous fiscal year) were as follows.

Volume & mix	81.9	billion yen
Foreign exchange	5.8	billion yen
Raw material, logistics costs, etc.	(3.3)	billion yen
Cost improvement	4.9	billion yen
Fixed costs and others	(39.8)	billion yen
Total	49.5	billion yen

## (2) Consolidated Financial Position and Cash Flows

(Assets, Liabilities and Net Assets)

As of June 30, 2023, total assets increased ¥2.4 billion from the end of the previous fiscal year, to ¥3,261.6 billion. Total liabilities decreased ¥55.6 billion from the end of the previous fiscal year to ¥1,746.8 billion mainly due to a decrease in trade notes and accounts payable.

Net Assets as of June 30, 2023 increased ¥58.0 billion from the end of the previous fiscal year to ¥1,514.8 billion, reflecting net income attributable to owners of the parent of ¥37.2 billion and increase in Accumulated Other Comprehensive Income. Equity ratio increased 1.7 percentage points from the end of the previous fiscal year to 45.9% (Percentage after consideration of the equity credit attributes of the subordinated loan was 47.0%).

(Cash Flows)

Cash and cash equivalent as of June 30, 2023 decreased ¥31.0 billion from the end of the previous fiscal year to ¥686.1 billion. Interest-bearing debt as of June 30, 2023 decreased ¥40.4 billion from the end of previous fiscal year to ¥575.1 billion. As a result, we are in a net cash position of ¥111.0 billion.

Cash flows for the first three months of the fiscal year ending March 31, 2024 by activities were as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥28.4 billion, reflecting income before income taxes of ¥63.2 billion, offset by a decrease in trade notes and accounts payable, etc. (For the first three months of the previous fiscal year, net cash used in operating activities was ¥132.5 billion.)

Cash flows from investing activities

Net cash used in investing activities was ¥28.8 billion, mainly reflecting capital expenditure for the purchase of property, plant and equipment of ¥24.5 billion. (For the first three months of the previous fiscal year, net cash used in investing activities was ¥32.3 billion.)

As a result, consolidated free cash flow (net of operating and investing activities) was negative ¥0.4 billion. (For the previous fiscal year, consolidated free cash flow was negative ¥164.7 billion.)

Cash flows from financing activities

Net cash used in financing activities was ¥59.1 billion, mainly reflecting the repayments of long-term loans payable. (For the first three months of the previous fiscal year, net cash provided by financing activities was ¥112.4 billion.)

### **(3) Future Estimates such as Consolidated Financial Forecast**

The full-year forecast of fiscal year ending March 31, 2024 remains unchanged from the previous forecast, released on May 12, 2023.

## 2. Quarterly Consolidated Financial Statements and Major Footnotes

### (1) Quarterly Consolidated Balance Sheets

		(Millions of Yen)	
As of		FY2023	FY2024
		March 31, 2023	June 30, 2023
<b>ASSETS</b>			
Current Assets:			
Cash and deposits		628,098	<b>646,109</b>
Trade notes and accounts receivable		166,921	<b>147,714</b>
Securities		89,000	<b>40,000</b>
Inventories		670,904	<b>700,159</b>
Other		170,814	<b>161,600</b>
Allowance for doubtful receivables		(1,573)	<b>(1,715)</b>
Total current assets		1,724,164	<b>1,693,867</b>
Non-current Assets:			
Property, plant and equipment:			
Buildings and structures (net)		200,542	<b>200,785</b>
Machinery, equipment and vehicles (net)		378,913	<b>389,297</b>
Land		419,419	<b>420,276</b>
Leased assets (net)		25,289	<b>25,458</b>
Other (net)		140,443	<b>141,744</b>
Total property, plant and equipment		1,164,606	<b>1,177,560</b>
Intangible assets:		54,614	<b>55,829</b>
Investments and other assets:			
Investment securities		214,895	<b>234,004</b>
Asset for retirement benefits		12,289	<b>13,311</b>
Other		88,966	<b>87,346</b>
Allowance for doubtful receivables		(283)	<b>(282)</b>
Total investments and other assets		315,867	<b>334,379</b>
Total non-current assets		1,535,087	<b>1,567,768</b>
Total Assets		3,259,251	<b>3,261,635</b>

(Millions of Yen)

As of	FY2023 March 31, 2023	FY2024 June 30, 2023
<b>LIABILITIES</b>		
Current Liabilities:		
Trade notes and accounts payable	480,975	420,793
Short-term loans payable	1,460	68,924
Long-term loans payable due within one year	199,579	72,415
Lease obligations	6,847	6,905
Income taxes payable	18,212	31,570
Accrued expenses	274,964	290,582
Reserve for warranty expenses	108,895	127,392
Other	170,288	160,750
Total current liabilities	1,261,220	1,179,331
Non-current Liabilities:		
Bonds	50,000	50,000
Long-term loans payable	345,340	365,009
Lease obligations	20,869	21,026
Deferred tax liability related to land revaluation	64,434	64,434
Provision related to environmental regulations	14,533	18,355
Liability for retirement benefits	18,238	19,129
Other	27,816	29,549
Total non-current liabilities	541,230	567,502
Total Liabilities	1,802,450	1,746,833
<b>NET ASSETS</b>		
Capital and Retained Earnings:		
Common stock	283,957	283,957
Capital surplus	263,035	263,007
Retained earnings	699,231	720,724
Treasury stock	(1,995)	(1,871)
Total capital and retained earnings	1,244,228	1,265,817
Accumulated Other Comprehensive Income/(Loss):		
Net unrealized gain/(loss) on available-for-sale securities	20,243	33,706
Deferred gains/(losses) on hedges	(68)	(100)
Land revaluation	145,302	145,302
Foreign currency translation adjustment	14,184	37,584
Accumulated adjustments for retirement benefits	15,709	14,719
Total accumulated other comprehensive income/(loss)	195,370	231,211
Stock Acquisition Rights	475	379
Non-controlling Interests	16,728	17,395
Total Net Assets	1,456,801	1,514,802
Total Liabilities and Net Assets	3,259,251	3,261,635

**(2) Quarterly Consolidated Statements of Operations and Comprehensive Income**  
**(For the first three months ended June 30, 2022 and 2023)**

**Quarterly Consolidated Statements of Operations**

(Millions of Yen)

For the first three months ended	FY2023 June 30, 2022	FY2024 June 30, 2023
Net sales	617,223	<b>1,090,971</b>
Cost of sales	486,390	<b>874,592</b>
Gross profit	130,833	<b>216,379</b>
Selling, general and administrative expenses	150,361	<b>186,354</b>
Operating income/(loss)	(19,528)	<b>30,025</b>
Non-operating income		
Interest income	1,672	<b>3,538</b>
Equity in net income of affiliated companies	8,048	<b>1,747</b>
Foreign exchange gain	33,222	<b>31,015</b>
Other	1,399	<b>2,232</b>
Total	44,341	<b>38,532</b>
Non-operating expenses		
Interest expense	1,728	<b>1,928</b>
Loss on transfer of receivables	212	<b>1,952</b>
Other	2,142	<b>755</b>
Total	4,082	<b>4,635</b>
Ordinary income	20,731	<b>63,922</b>
Extraordinary income		
Gain on sales of property, plant and equipment	41	<b>167</b>
Other	-	<b>13</b>
Total	41	<b>180</b>
Extraordinary losses		
Loss on sales and retirement of property, plant and equipment	414	<b>886</b>
Other	69	<b>57</b>
Total	483	<b>943</b>
Income before income taxes	20,289	<b>63,159</b>
Income taxes		
Current	6,833	<b>24,589</b>
Deferred	(1,749)	<b>926</b>
Total	5,084	<b>25,515</b>
Net income	15,205	<b>37,644</b>
Net income attributable to Non-controlling interests	208	<b>402</b>
Net income attributable to owners of the parent	14,997	<b>37,242</b>



## Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

For the first three months ended	FY2023 June 30, 2022	FY2024 June 30, 2023
Net income	15,205	<b>37,644</b>
Other comprehensive income/(loss)		
Net unrealized gain/(loss) on available-for-sale securities	(3,575)	<b>13,465</b>
Deferred gains/(losses) on hedges	(346)	<b>44</b>
Foreign currency translation adjustment	36,950	<b>21,533</b>
Adjustments for retirement benefits	(2,066)	<b>(981)</b>
Share of other comprehensive income/(loss) of affiliates accounted for using equity method	4,915	<b>2,132</b>
Total	35,878	<b>36,193</b>
Comprehensive income	51,083	<b>73,837</b>
Comprehensive income/(loss) attributable to:		
Owners of the parent	50,225	<b>73,083</b>
Non-controlling interests	858	<b>754</b>

### (3) Quarterly Consolidated Statements of Cash Flows

(Millions of Yen)

For the first three months ended	FY2023 June 30, 2022	FY2024 June 30, 2023
Cash flows from operating activities:		
Income before income taxes	20,289	<b>63,159</b>
Adjustments to reconcile income before income taxes to net cash provided by/(used in) operating activities:		
Depreciation and amortization	25,122	<b>27,463</b>
Increase/(decrease) in allowance for doubtful receivables	3,655	<b>29</b>
Increase/(decrease) in reserve for warranty expenses	170	<b>16,735</b>
Increase/(decrease) in provision related to environmental regulations	6,889	<b>3,748</b>
Net changes in asset and liability for retirement benefits	(406)	<b>(1,376)</b>
Interest and dividend income	(1,773)	<b>(3,920)</b>
Interest expense	1,728	<b>1,928</b>
Equity in net loss/(income) of affiliated companies	(8,048)	<b>(1,747)</b>
Loss/(gain) on sales and retirement of property, plant and equipment	373	<b>718</b>
Decrease/(increase) in trade notes and accounts receivable	10,534	<b>25,606</b>
Decrease/(increase) in inventories	(110,671)	<b>8,526</b>
Decrease/(increase) in other current assets	25,070	<b>18,364</b>
Increase/(decrease) in trade notes and accounts payable	(16,240)	<b>(70,010)</b>
Increase/(decrease) in other current liabilities	(37,931)	<b>(16,805)</b>
Other	(49,428)	<b>(37,663)</b>
Subtotal	(130,667)	<b>34,755</b>
Interest and dividends received	5,382	<b>7,722</b>
Interest paid	(1,756)	<b>(1,877)</b>
Income taxes refunded/(paid)	(5,434)	<b>(12,171)</b>
Net cash provided by/(used in) operating activities	(132,475)	<b>28,429</b>
Cash flows from investing activities:		
Purchase of investment securities	(172)	<b>(164)</b>
Purchase of property, plant and equipment	(28,351)	<b>(24,474)</b>
Proceeds from sales of property, plant and equipment	214	<b>429</b>
Purchase of intangible assets	(3,886)	<b>(4,493)</b>
Other	(61)	<b>(123)</b>
Net cash provided by/(used in) investing activities	(32,256)	<b>(28,825)</b>

(Millions of Yen)

For the first three months ended	FY2023 June 30, 2022	FY2024 June 30, 2023
Cash flows from financing activities:		
Net increase/(decrease) in short-term loans payable	126,735	<b>65,802</b>
Proceeds from long-term loans payable	-	<b>36,000</b>
Repayments of long-term loans payable	(560)	<b>(143,497)</b>
Proceeds from sale and leaseback transactions	49	<b>36</b>
Repayments of lease obligations	(1,246)	<b>(1,677)</b>
Cash dividends paid	(12,597)	<b>(15,749)</b>
Cash dividends paid to non-controlling interests	(107)	<b>(87)</b>
Net decrease/(increase) in treasury stock	77	<b>96</b>
Net cash provided by/(used in) financing activities	112,351	<b>(59,076)</b>
Effect of exchange rate fluctuations on cash and cash equivalents	46,215	<b>28,484</b>
Net increase/(decrease) in cash and cash equivalents	(6,165)	<b>(30,988)</b>
Cash and cash equivalents at beginning of the period	740,385	<b>717,093</b>
Cash and cash equivalents at end of the period	734,220	<b>686,105</b>

#### **(4) Footnotes to the Quarterly Consolidated Financial Statements**

##### **(Note on the Assumptions as Going Concern)**

Not applicable

##### **(Significant Changes in the Amount of Equity)**

Not applicable

##### **(Additional Information)**

(Change in presentation)

The future estimated costs of the quality-related expense of certain consolidated subsidiaries, which were included in “Accrued expenses” under “Current Liabilities” in the previous consolidated fiscal year, are included in “Reserve for warranty expenses” from the first quarter of the fiscal year ending March 31, 2024, from the perspective of a more realistic presentation. The consolidated financial statements for the previous fiscal year ended March 31, 2023 have been reclassified to reflect this revision.

As a result, “Accrued expenses” under “Current Liabilities” of ¥23,248 million presented in the consolidated balance sheet for the previous fiscal year has been reclassified as “Reserve for warranty expenses.”

## (Segment Information)

### I. FY2023 First Three Months (April 1, 2022 through June 30, 2022)

#### 1) Net sales and Income or Loss by Reportable Segments

(Millions of Yen)

FY2023 First Three Months Ended June 30, 2022	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	165,809	253,406	87,228	110,780	617,223	-	617,223
Inter-segment	378,486	64,243	6,692	8,554	457,975	(457,975)	-
Total	544,295	317,649	93,920	119,334	1,075,198	(457,975)	617,223
Segment income/(loss)	(3,556)	(7,412)	4,505	4,677	(1,786)	(17,742)	(19,528)

Notes: 1. The adjustment on segment income/(loss) is eliminations of inter-segment transactions.

2. The segment income/(loss) is reconciled with the operating loss in the consolidated statement of operations for FY2023 first three months ended June 30, 2022.

#### 2) Impairment Loss on Property, Plant and Equipment and Goodwill by Reportable Segments

Impairment losses on property, plant and equipment, gains from negative goodwill and changes in the amount of goodwill, that were material, were not recognized.

### II. FY2024 First Three Months (April 1, 2023 through June 30, 2023)

#### 1) Net sales and Income or Loss by Reportable Segments

(Millions of Yen)

FY2024 First Three Months Ended June 30, 2023	Reportable Segments					Adjustment (Note 1)	Consolidated (Note 2)
	Japan	North America	Europe	Other areas	Total		
Net sales:							
Outside customers	243,363	509,451	187,490	150,667	1,090,971	-	1,090,971
Inter-segment	648,868	126,369	8,028	16,267	799,532	(799,532)	-
Total	892,231	635,820	195,518	166,934	1,890,503	(799,532)	1,090,971
Segment income	8,542	25,936	5,112	7,551	47,141	(17,116)	30,025

Notes: 1. The adjustment on segment income is eliminations of inter-segment transactions.

2. The segment income is reconciled with the operating income in the consolidated statement of operations for FY2024 first three months ended June 30, 2023.

#### 2) Impairment Loss on Property, Plant and Equipment and Goodwill by Reportable Segments

Impairment losses on property, plant and equipment, gains from negative goodwill and changes in the amount of goodwill, that were material, were not recognized.

## (Significant Subsequent Events)

Not applicable