



Consolidated Financial Results for the Six Months Ended 30th September 2023 (Under IFRS)

9th November 2023

Company name: KOKUSAI ELECTRIC CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 6525
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 Scheduled date to file quarterly securities report: 9th November 2023
 Scheduled date to commence dividend payments: -
 Preparation of supplementary materials on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded to millions.)

1. Consolidated financial results for the six months ended 30th September 2023 (from 1st April 2023 to 30th September 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

| | Revenue | | Operating profit | | Income before income tax | | Net income | |
|---------------------|-----------------|--------|------------------|--------|--------------------------|--------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Six months ended | | | | | | | | |
| 30th September 2023 | 77,705 | (35.5) | 13,373 | (54.5) | 12,872 | (56.1) | 8,813 | (57.8) |
| 30th September 2022 | 120,420 | (2.1) | 29,391 | (23.2) | 29,330 | (21.5) | 20,902 | (22.4) |

| | Net income attributable to owners of the parent | | Comprehensive income | | Basic earnings per share | Diluted earnings per share |
|---------------------|---|--------|----------------------|--------|--------------------------|----------------------------|
| | Millions of yen | % | Millions of yen | % | Yen | Yen |
| Six months ended | | | | | | |
| 30th September 2023 | 8,813 | (57.8) | 10,982 | (49.8) | 38.25 | 36.96 |
| 30th September 2022 | 20,902 | (22.4) | 21,856 | (18.5) | 90.72 | 87.55 |

(2) Consolidated financial position

| As of | Total assets | Total equity | Equity attributable to owners of parent | Ratio of equity attributable to owners of parent to total assets |
|---------------------|-----------------|-----------------|---|--|
| | Millions of yen | Millions of yen | Millions of yen | % |
| 30th September 2023 | 360,039 | 172,136 | 172,136 | 47.8 |
| 31st March 2023 | 370,263 | 160,881 | 160,881 | 43.5 |

2. Cash dividends

| | Annual dividends per share | | | | |
|---|----------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended 31st March 2023 | - | 0.00 | - | 0.00 | 0.00 |
| Fiscal year ending 31st March 2024 | - | 0.00 | | | |
| Fiscal year ending 31st March 2024 (Forecast) | | | - | 11.00 | 11.00 |

Note: Revisions to the forecast of cash dividends most recently announced: No

**3. Forecasts of consolidated financial results for the fiscal year ending 31st March 2024
(from 1st April 2023 to 31st March 2024)**

(Percentages indicate year-on-year changes.)

| | Revenue | | Operating profit | | Income before income tax | | Net income | | Net income attributable to owners of the parent | | Basic earnings per share |
|------------------------------------|-----------------|--------|------------------|--------|--------------------------|--------|-----------------|--------|---|--------|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Fiscal year ending 31st March 2024 | 180,000 | (26.7) | 29,109 | (48.1) | 28,280 | (49.4) | 20,200 | (49.9) | 20,200 | (49.9) | 87.67 |

Note: Revisions to the forecast of financial results 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

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: Yes

(ii) Changes in accounting policies due to other reasons: Yes

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

| | |
|---------------------------|--------------------|
| As of 30th September 2023 | 230,404,200 shares |
| As of 31st March 2023 | 230,404,200 shares |

(ii) Number of treasury shares at the end of the period

| | |
|---------------------------|----------|
| As of 30th September 2023 | - shares |
| As of 31st March 2023 | - shares |

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|---------------------------|--------------------|
| As of 30th September 2023 | 230,404,200 shares |
| As of 30th September 2022 | 230,400,000 shares |

※ Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

※ Proper use of earnings forecasts, and other special matters

The forward-looking statements herein are based on the Company's expectations, estimations, and forecasts deemed to be reasonable at the date of publication of this document. The forward-looking statements herein include the known and unknown risks, uncertainties and other factors and actual results may be materially different from those discussed or implied in the forward-looking statements. Accordingly, the forward-looking statements herein are inherently not guarantees of future performance and results.

KOKUSAI ELECTRIC CORPORATION
Condensed quarterly consolidated statement of financial position

(Millions of yen)

| | As of March 31, 2023 | As of September 30, 2023 |
|-------------------------------|----------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 106,053 | 87,550 |
| Trade and other receivables | 47,477 | 33,588 |
| Inventories | 67,197 | 86,283 |
| Other current assets | 1,917 | 1,213 |
| Total current assets | 222,644 | 208,634 |
| Non-current Assets | | |
| Property, plant and equipment | 18,775 | 24,325 |
| Right-of-use assets | 1,718 | 1,554 |
| Goodwill | 59,065 | 59,065 |
| Intangible assets | 62,968 | 59,941 |
| Other financial assets | 1,564 | 1,723 |
| Deferred tax assets | 943 | 1,204 |
| Other non-current assets | 2,586 | 3,593 |
| Total non-current assets | 147,619 | 151,405 |
| Total assets | 370,263 | 360,039 |

(Millions of yen)

| | As of March 31, 2023 | As of September 30, 2023 |
|---|----------------------|--------------------------|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Loans payable | 6,000 | 6,750 |
| Lease obligations | 596 | 548 |
| Trade and other payables | 41,790 | 29,645 |
| Accrued expenses | 11,036 | 8,601 |
| Other financial liabilities | 144 | 147 |
| Income tax payable | 7,387 | 3,647 |
| Provisions | 1,998 | 1,780 |
| Contract liabilities | 28,918 | 29,354 |
| Other current liabilities | 308 | 286 |
| Total current liabilities | 98,177 | 80,758 |
| Non-current liabilities | | |
| Loans payable | 91,500 | 87,750 |
| Lease obligations | 1,110 | 993 |
| Retirement and severance benefits | 3,032 | 3,095 |
| Provisions | 95 | 98 |
| Deferred tax liabilities | 15,396 | 15,099 |
| Other non-current liabilities | 72 | 110 |
| Total non-current liabilities | 111,205 | 107,145 |
| Total liabilities | 209,382 | 187,903 |
| Equity | | |
| Common stock | 10,005 | 10,005 |
| Capital surplus | 28,341 | 28,344 |
| Retained earnings | 119,783 | 128,665 |
| Other components of equity | 2,752 | 5,122 |
| Total equity attributable to owners of the parent | 160,881 | 172,136 |
| Total equity | 160,881 | 172,136 |
| Total liabilities and equity | 370,263 | 360,039 |

KOKUSAI ELECTRIC CORPORATION
Condensed quarterly consolidated statement of profit or loss
Six months ended September 30, 2023

(Millions of yen)

| | Six months ended September 30, 2022 | Six months ended September 30, 2023 |
|--|--|--|
| Revenues | 120,420 | 77,705 |
| Cost of sales | (69,841) | (43,540) |
| Gross profit | 50,579 | 34,165 |
| Selling, general and administrative expenses | (21,137) | (20,854) |
| Other income | 60 | 140 |
| Other expenses | (111) | (78) |
| Operating profit | 29,391 | 13,373 |
| Financial income | 452 | 192 |
| Financial expenses | (513) | (693) |
| Income before income tax | 29,330 | 12,872 |
| Income tax expenses | (8,428) | (4,059) |
| Net income | 20,902 | 8,813 |
| Net income attributable to: | | |
| Owners of the parent | 20,902 | 8,813 |
| Net income per share | | |
| Basic (yen) | 90.72 | 38.25 |
| Diluted (yen) | 87.55 | 36.96 |

KOKUSAI ELECTRIC CORPORATION
Condensed quarterly consolidated statement of comprehensive income
Six months ended September 30, 2023

(Millions of yen)

| | Six months ended September 30, 2022 | Six months ended September 30, 2023 |
|--|--|--|
| Net income | 20,902 | 8,813 |
| Other comprehensive income (OCI) | | |
| Items that will not be reclassified into net income | | |
| Net changes in financial assets measured at fair value through OCI (FVTOCI) | (13) | - |
| Total of items that will not be reclassified into net income | (13) | - |
| Items that may be reclassified into net income | | |
| Cash flow hedges | - | 20 |
| Foreign currency translation adjustments | 967 | 2,149 |
| Total of items that may be reclassified into net income | 967 | 2,169 |
| Total other comprehensive income | 954 | 2,169 |
| Comprehensive income | 21,856 | 10,982 |
| Comprehensive income attributable to: | | |
| Owners of the parent | 21,856 | 10,982 |

KOKUSAI ELECTRIC CORPORATION
Condensed quarterly consolidated statement of cash flows
Six months ended September 30, 2023

(Millions of yen)

| | Six months ended September 30, 2022 | Six months ended September 30, 2023 |
|--|--|--|
| Cash flows from operating activities | | |
| Net income | 20,902 | 8,813 |
| Depreciation and amortization | 5,092 | 5,308 |
| Income tax expense | 8,428 | 4,059 |
| Financial income | (452) | (192) |
| Financial expenses | 513 | 693 |
| Increase in inventories | (13,377) | (17,976) |
| Decrease in trade and other receivables | 4,645 | 14,580 |
| Increase (decrease) in trade and other payables | 4,780 | (15,196) |
| Other | 3,483 | (1,745) |
| Subtotal | 34,014 | (1,656) |
| Interest and dividends received | 61 | 130 |
| Interest paid | (453) | (414) |
| Income taxes paid | (13,452) | (7,455) |
| Net cash provided by (used in) operating activities | 20,170 | (9,395) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (2,275) | (7,081) |
| Purchase of intangible assets | (405) | (254) |
| Other | 41 | 20 |
| Net cash provided by (used in) investing activities | (2,639) | (7,315) |
| Cash flows from financing activities | | |
| Repayment of Loans payable | (2,250) | (3,000) |
| Repayment of lease obligations | (275) | (318) |
| Other | (20) | (20) |
| Net cash provided by (used in) financing activities | (2,545) | (3,338) |
| Effect of exchange rate changes on cash and cash equivalents | 813 | 1,545 |
| Net increase (decrease) in cash and cash equivalents | 15,799 | (18,503) |
| Cash and cash equivalents at beginning of period | 108,399 | 106,053 |
| Cash and cash equivalents at end of period | 124,198 | 87,550 |