

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 31, 2024

Company name: CTS Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4345 URL <https://www.cts-h.co.jp>
 Representative: Representative Director and President Taizo Yokoshima
 Director, Operating Officer and General
 Manager,
 Inquiries: Accounting & Business Administrative Makio Kitahara TEL 0268-26-3700
 Department
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2024	2,751	5.9	636	12.4	641	9.8	427	9.8
Three months ended June 30, 2023	2,597	0.4	566	6.5	584	10.4	388	9.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	10.11		–	
Three months ended June 30, 2023	9.17		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	16,177	11,996	74.2
As of March 31, 2024	16,710	12,230	73.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	–	10.00	–	12.50	22.50
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	12.50	–	12.50	25.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	5,750	7.6	1,320	4.4	1,250	0.2	840	0.8	19.89
Full year	12,000	8.2	3,000	4.7	2,950	5.9	1,980	6.5	46.88

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2024	42,400,000 shares	As of March 31, 2024	43,400,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	446,845 shares	As of March 31, 2024	1,020,845 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	42,237,155 shares	Three months ended June 30, 2023	42,379,155 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	6,952	6,569
Notes and accounts receivable - trade	1,749	1,810
Inventories	472	350
Other	365	186
Allowance for doubtful accounts	(3)	(2)
Total current assets	9,536	8,914
Non-current assets		
Property, plant and equipment		
Leased assets, net	1,776	1,623
Other, net	1,810	1,803
Total property, plant and equipment	3,586	3,426
Intangible assets	147	140
Investments and other assets		
Investment securities	3,180	3,476
Other	267	228
Allowance for doubtful accounts	(8)	(8)
Total investments and other assets	3,439	3,696
Total non-current assets	7,174	7,263
Total assets	16,710	16,177
Liabilities		
Current liabilities		
Accounts payable - trade	641	393
Income taxes payable	492	200
Other	1,792	2,052
Total current liabilities	2,926	2,646
Non-current liabilities		
Lease liabilities	1,038	923
Other	515	611
Total non-current liabilities	1,553	1,535
Total liabilities	4,479	4,181
Net assets		
Shareholders' equity		
Share capital	3,000	3,000
Retained earnings	9,107	8,297
Treasury shares	(722)	(352)
Total shareholders' equity	11,385	10,944
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	845	1,051
Total accumulated other comprehensive income	845	1,051
Total net assets	12,230	11,996
Total liabilities and net assets	16,710	16,177

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	2,597	2,751
Cost of sales	1,326	1,377
Gross profit	1,270	1,373
Selling, general and administrative expenses	704	736
Operating profit	566	636
Non-operating income		
Dividend income	58	55
Other	1	1
Total non-operating income	59	56
Non-operating expenses		
Interest expenses	10	10
Share of loss of entities accounted for using equity method	31	41
Total non-operating expenses	41	51
Ordinary profit	584	641
Profit before income taxes	584	641
Income taxes - current	178	195
Income taxes - deferred	17	19
Total income taxes	195	214
Profit	388	427
Profit attributable to owners of parent	388	427

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	388	427
Other comprehensive income		
Valuation difference on available-for-sale securities	162	206
Total other comprehensive income	162	206
Comprehensive income	550	633
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	550	633
Comprehensive income attributable to non-controlling interests	—	—