

Translation

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

October 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 file Semi-annual Securities Report: November 14, 2024
 Scheduled date to commence dividend payments: December 2, 2024
 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 six months ended September 30, 2024 (from April 1, 2024 to September 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	%
Six months ended September 30, 2024	5,808	8.7	1,422	12.5	1,408	12.9	949	13.9
Six months ended September 30, 2023	5,345	1.7	1,264	5.5	1,247	7.5	833	7.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	22.54		-	
Six months ended September 30, 2023	19.67		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	16,713	12,206	73.0
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	Yen	Yen	Yen	Yen
Year ended March 31, 2024	-	10.00	-	12.50	22.50
Year ending March 31, 2025	-	12.50	-	-	-
Year ending March 31, 2025 (Forecast)	-	-	-	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
Full year	12,000	8.2	3,000	4.7	2,950	5.9	1,980	6.5	47.12

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual 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 September 30, 2024	42,000,000 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 September 30, 2024	46,845 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)

Six months ended September 30, 2024	42,095,155 shares	Six months ended September 30, 2023	42,379,155 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	6,952	5,381
Notes and accounts receivable - trade	1,749	2,016
Inventories	472	334
Other	365	472
Allowance for doubtful accounts	(3)	(2)
Total current assets	9,536	8,202
Non-current assets		
Property, plant and equipment		
Leased assets, net	1,776	1,740
Other, net	1,810	1,810
Total property, plant and equipment	3,586	3,551
Intangible assets	147	141
Investments and other assets		
Investment securities	3,180	4,608
Other	267	217
Allowance for doubtful accounts	(8)	(8)
Total investments and other assets	3,439	4,818
Total non-current assets	7,174	8,510
Total assets	16,710	16,713
Liabilities		
Current liabilities		
Accounts payable - trade	641	683
Income taxes payable	492	477
Other	1,792	1,843
Total current liabilities	2,926	3,003
Non-current liabilities		
Lease liabilities	1,038	1,028
Other	515	473
Total non-current liabilities	1,553	1,502
Total liabilities	4,479	4,506
Net assets		
Shareholders' equity		
Share capital	3,000	3,000
Retained earnings	9,107	8,503
Treasury shares	(722)	(36)
Total shareholders' equity	11,385	11,466
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	845	740
Total accumulated other comprehensive income	845	740
Total net assets	12,230	12,206
Total liabilities and net assets	16,710	16,713

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	5,345	5,808
Cost of sales	2,673	2,912
Gross profit	2,671	2,895
Selling, general and administrative expenses	1,407	1,473
Operating profit	1,264	1,422
Non-operating income		
Dividend income	58	55
Other	2	3
Total non-operating income	60	58
Non-operating expenses		
Interest expenses	21	20
Share of loss of entities accounted for using equity method	56	51
Total non-operating expenses	77	72
Ordinary profit	1,247	1,408
Profit before income taxes	1,247	1,408
Income taxes - current	409	454
Income taxes - deferred	4	5
Total income taxes	414	459
Profit	833	949
Profit attributable to owners of parent	833	949

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	833	949
Other comprehensive income		
Valuation difference on available-for-sale securities	356	(105)
Total other comprehensive income	356	(105)
Comprehensive income	1,189	843
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,189	843
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	1,247	1,408
Depreciation	470	497
Increase (decrease) in allowance for doubtful accounts	(0)	0
Interest and dividend income	(58)	(55)
Interest expenses	21	20
Share of loss (profit) of entities accounted for using equity method	56	51
Loss (gain) on sale of property, plant and equipment	–	(0)
Decrease (increase) in trade receivables	(86)	(84)
Decrease (increase) in inventories	(72)	137
Increase (decrease) in trade payables	310	(73)
Other, net	(111)	(125)
Subtotal	1,775	1,776
Interest and dividends received	58	55
Interest paid	(21)	(20)
Income taxes paid	(468)	(438)
Net cash provided by (used in) operating activities	1,344	1,372
Cash flows from investing activities		
Purchase of investment securities	–	(1,578)
Purchase of property, plant and equipment	(27)	(46)
Proceeds from sale of property, plant and equipment	–	0
Purchase of intangible assets	(73)	(19)
Purchase of shares of subsidiaries and associates	(297)	(2)
Other, net	(2)	0
Net cash provided by (used in) investing activities	(400)	(1,646)
Cash flows from financing activities		
Purchase of treasury shares	–	(338)
Repayments of lease liabilities	(414)	(429)
Dividends paid	(487)	(529)
Net cash provided by (used in) financing activities	(902)	(1,296)
Net increase (decrease) in cash and cash equivalents	41	(1,571)
Cash and cash equivalents at beginning of period	6,272	6,952
Cash and cash equivalents at end of period	6,314	5,381