

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

October 11, 2022

Company name: RIKEN CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6462 URL <https://www.riken.co.jp/>
 Representative: President Yasunori Maekawa
 Inquiries: General Manager of Accounting Department Takuya Ohashi TEL 03-3230-3911
 Scheduled date to file Quarterly Securities Report: October 11, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	19,982	(1.4)	1,039	(52.3)	1,719	(31.7)	1,047	(44.9)
Three months ended June 30, 2021	20,265	28.2	2,177	–	2,516	–	1,900	960.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	104.69	104.45
Three months ended June 30, 2021	190.69	190.16

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2022	116,432	89,526	71.5	8,323.65
As of March 31, 2022	115,707	87,082	70.1	8,109.98

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, 2022	–	60.00	–	60.00	120.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		60.00	–	60.00	120.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	82,000	4.6	5,000	(2.4)	6,100	(6.6)	3,400	(21.5)	340.39

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
(changes in specified subsidiaries resulting in the change in scope of consolidation): 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, 2022	10,648,466 shares	As of March 31, 2022	10,648,466 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	645,805 shares	As of March 31, 2022	645,730 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, 2022	10,002,706 shares	Three months ended June 30, 2021	9,965,766 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	16,209	16,522
Notes and accounts receivable - trade, and contract assets	19,830	20,070
Merchandise and finished goods	9,927	10,106
Work in process	3,342	3,385
Raw materials and supplies	3,277	3,306
Other	1,077	1,866
Allowance for doubtful accounts	(37)	(38)
Total current assets	53,627	55,218
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,518	10,594
Machinery, equipment and vehicles, net	11,782	11,861
Land	2,592	2,613
Construction in progress	1,233	1,065
Other, net	1,056	1,148
Total property, plant and equipment	27,184	27,283
Intangible assets		
Leased assets	2,057	1,956
Other	485	503
Total intangible assets	2,542	2,459
Investments and other assets		
Investment securities	23,957	23,044
Deferred tax assets	1,271	1,294
Retirement benefit asset	5,930	5,973
Insurance funds	58	59
Other	1,164	1,103
Allowance for doubtful accounts	(29)	(5)
Total investments and other assets	32,353	31,471
Total non-current assets	62,080	61,214
Total assets	115,707	116,432

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,690	8,487
Income taxes payable	1,468	393
Provision for bonuses	1,734	1,150
Other	4,393	4,552
Total current liabilities	16,287	14,582
Non-current liabilities		
Long-term borrowings	10,000	10,000
Retirement benefit liability	1,503	1,588
Provision for product warranties	288	288
Provision for environmental measures	12	12
Other	532	433
Total non-current liabilities	12,337	12,324
Total liabilities	28,624	26,906
Net assets		
Shareholders' equity		
Share capital	8,573	8,573
Capital surplus	7,119	7,119
Retained earnings	64,526	64,973
Treasury shares	(2,894)	(2,894)
Total shareholders' equity	77,324	77,771
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,045	754
Deferred gains or losses on hedges	(60)	(106)
Foreign currency translation adjustment	622	2,773
Remeasurements of defined benefit plans	2,189	2,065
Total accumulated other comprehensive income	3,797	5,487
Share acquisition rights	97	97
Non-controlling interests	5,863	6,170
Total net assets	87,082	89,526
Total liabilities and net assets	115,707	116,432

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, 2021	Three months ended June 30, 2022
Net sales	20,265	19,982
Cost of sales	15,175	15,898
Gross profit	5,090	4,084
Selling, general and administrative expenses	2,912	3,045
Operating profit	2,177	1,039
Non-operating income		
Interest and dividend income	167	216
Foreign exchange gains	4	156
Share of profit of entities accounted for using equity method	216	314
Subsidy income	6	8
Other	26	39
Total non-operating income	421	734
Non-operating expenses		
Interest expenses	25	24
Other	57	30
Total non-operating expenses	82	54
Ordinary profit	2,516	1,719
Extraordinary income		
Gain on sale of non-current assets	366	8
Total extraordinary income	366	8
Extraordinary losses		
Loss on retirement of non-current assets	5	9
Loss on sale of non-current assets	—	0
Loss on sale of investment securities	0	—
Total extraordinary losses	6	9
Profit before income taxes	2,876	1,718
Income taxes - current	458	393
Income taxes - deferred	363	128
Total income taxes	822	521
Profit	2,054	1,196
Profit attributable to non-controlling interests	153	148
Profit attributable to owners of parent	1,900	1,047

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	2,054	1,196
Other comprehensive income		
Valuation difference on available-for-sale securities	12	(414)
Deferred gains or losses on hedges	5	(48)
Foreign currency translation adjustment	1,265	1,623
Remeasurements of defined benefit plans, net of tax	(158)	(130)
Share of other comprehensive income of entities accounted for using equity method	266	968
Total other comprehensive income	1,391	1,997
Comprehensive income	3,446	3,193
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,121	2,737
Comprehensive income attributable to non-controlling interests	324	456