

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 15, 2024

Company name: Titan Kogyo,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4098 URL <http://www.titankogyo.co.jp>  
 Representative: President Yasuo Inoue  
 Inquiries: Director Atsushi Nishida TEL 0836-31-4155  
 Scheduled date of ordinary general meeting of shareholders: June 26, 2024  
 Scheduled date to file Securities Report: June 26, 2024  
 Scheduled date to commence dividend payments: June 27, 2024  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2024	7,953	(1.4)	(726)	–	(667)	–	(1,680)	–
Year ended March 31, 2023	8,070	(1.0)	385	3.3	341	18.5	322	21.7

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	(566.58)	–	(28.8)	(4.2)	(9.1)
Year ended March 31, 2023	109.05	–	5.0	2.1	4.8

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	14,882	5,495	33.5	1,681.11
As of March 31, 2023	16,756	7,099	39.9	2,254.19

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	728	187	(512)	785
Year ended March 31, 2023	(204)	(180)	216	382

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	0.00	–	20.00	20.00	59	18.3	0.9
Year ended March 31, 2024	–	0.00	–	10.00	10.00	29	–	0.5
Year ending March 31, 2025 (Forecast)	–	0.00	–	10.00	10.00		12.9	

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	3,800	7.2	(200)	–	(210)	–	20	–	6.74
Full year	8,500	6.9	80	–	60	–	230	–	77.51

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	3,027,626 shares	As of March 31, 2023	3,027,626 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	60,254 shares	As of March 31, 2023	65,272 shares
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Average number of shares during the period

Year ended March 31, 2024	2,965,941 shares	Year ended March 31, 2023	2,961,348 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	402	785
Notes and accounts receivable - trade	1,463	1,999
Electronically recorded monetary claims - operating	439	359
Merchandise and finished goods	3,277	2,695
Work in process	1,158	961
Raw materials and supplies	1,106	853
Other	28	26
Total current assets	7,875	7,681
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,426	3,255
Machinery, equipment and vehicles, net	3,851	2,700
Land	231	231
Construction in progress	9	13
Other, net	111	71
Total property, plant and equipment	7,630	6,272
Intangible assets	12	7
Investments and other assets		
Investment securities	945	806
Deferred tax assets	164	3
Other	129	112
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	1,237	920
Total non-current assets	8,881	7,201
Total assets	16,756	14,882

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	660	812
Electronically recorded obligations - operating	295	241
Short-term borrowings	3,150	3,250
Current portion of long-term borrowings	552	590
Income taxes payable	31	69
Provision for bonuses	162	156
Provision for business restructuring	35	–
Asset retirement obligations	14	–
Other	460	656
Total current liabilities	5,363	5,776
Non-current liabilities		
Long-term borrowings	3,711	3,120
Deferred tax liabilities	–	8
Retirement benefit liability	578	476
Asset retirement obligations	4	4
Total non-current liabilities	4,293	3,609
Total liabilities	9,656	9,386
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,443	3,443
Capital surplus	402	402
Retained earnings	2,556	809
Treasury shares	(117)	(108)
Total shareholders' equity	6,284	4,546
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	333	475
Foreign currency translation adjustment	102	–
Remeasurements of defined benefit plans	(43)	(33)
Total accumulated other comprehensive income	393	442
Non-controlling interests	422	507
Total net assets	7,099	5,495
Total liabilities and net assets	16,756	14,882

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	8,070	7,953
Cost of sales	6,620	7,593
Gross profit	1,450	360
Selling, general and administrative expenses	1,064	1,087
Operating profit (loss)	385	(726)
Non-operating income		
Interest income	0	0
Dividend income	25	25
Share of profit of entities accounted for using equity method	–	5
Foreign exchange gains	0	74
Subsidies for employment adjustment	8	–
Other	32	22
Total non-operating income	67	128
Non-operating expenses		
Interest expenses	43	42
Share of loss of entities accounted for using equity method	1	–
Loss on sale of electronically recorded monetary claims	5	7
Loss on suspension of production	33	–
Other	27	19
Total non-operating expenses	112	69
Ordinary profit (loss)	341	(667)
Extraordinary income		
Gain on sale of non-current assets	4	–
Total extraordinary income	4	–
Extraordinary losses		
Loss on retirement of non-current assets	18	6
Impairment losses	52	739
Loss on sale of shares of subsidiaries and associates	–	34
Business restructuring expenses	35	–
Total extraordinary losses	106	780
Profit (loss) before income taxes	239	(1,448)
Income taxes - current	33	54
Income taxes - deferred	(137)	92
Total income taxes	(103)	146
Profit (loss)	342	(1,595)
Profit attributable to non-controlling interests	19	85
Profit (loss) attributable to owners of parent	322	(1,680)

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit (loss)	342	(1,595)
Other comprehensive income		
Valuation difference on available-for-sale securities	82	141
Remeasurements of defined benefit plans, net of tax	4	10
Share of other comprehensive income of entities accounted for using equity method	3	(102)
Total other comprehensive income	89	48
Comprehensive income	432	(1,546)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	412	(1,631)
Comprehensive income attributable to non-controlling interests	19	85

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,443	402	2,287	(101)	6,031
Changes during period					
Dividends of surplus			(53)		(53)
Profit (loss) attributable to owners of parent			322		322
Purchase of treasury shares				(23)	(23)
Disposal of treasury shares		(0)		7	7
Transfer of loss on disposal of treasury shares		0	(0)		–
Net changes in items other than shareholders' equity					–
Total changes during period	–	–	268	(15)	253
Balance at end of period	3,443	402	2,556	(117)	6,284

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	251	99	(48)	303	402	6,737
Changes during period						
Dividends of surplus						(53)
Profit (loss) attributable to owners of parent						322
Purchase of treasury shares						(23)
Disposal of treasury shares						7
Transfer of loss on disposal of treasury shares						–
Net changes in items other than shareholders' equity	82	3	4	89	19	109
Total changes during period	82	3	4	89	19	362
Balance at end of period	333	102	(43)	393	422	7,099

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,443	402	2,556	(117)	6,284
Changes during period					
Dividends of surplus			(59)		(59)
Profit (loss) attributable to owners of parent			(1,680)		(1,680)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(2)		9	7
Transfer of loss on disposal of treasury shares		2	(2)		–
Change in scope of equity method			(5)		(5)
Net changes in items other than shareholders' equity					–
Total changes during period	–	–	(1,747)	9	(1,738)
Balance at end of period	3,443	402	809	(108)	4,546

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	333	102	(43)	393	422	7,099
Changes during period						
Dividends of surplus						(59)
Profit (loss) attributable to owners of parent						(1,680)
Purchase of treasury shares						(0)
Disposal of treasury shares						7
Transfer of loss on disposal of treasury shares						–
Change in scope of equity method						(5)
Net changes in items other than shareholders' equity	141	(102)	10	48	85	134
Total changes during period	141	(102)	10	48	85	(1,603)
Balance at end of period	475	–	(33)	442	507	5,495



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	239	(1,448)
Depreciation	857	785
Impairment losses	52	739
Increase (decrease) in retirement benefit liability	(10)	(106)
Retirement benefit expenses	(3)	10
Increase (decrease) in provision for bonuses	(0)	(5)
Increase (decrease) in provision for business restructuring	35	(35)
Interest and dividend income	(26)	(25)
Interest expenses	43	42
Foreign exchange losses (gains)	–	(73)
Share of loss (profit) of entities accounted for using equity method	1	(5)
Loss (gain) on sale of shares of subsidiaries and associates	–	34
Decrease (increase) in trade receivables	426	(456)
Decrease (increase) in inventories	(1,459)	1,031
Increase (decrease) in trade payables	(213)	97
Other, net	(65)	171
Subtotal	(122)	755
Interest and dividends received	26	25
Interest paid	(44)	(42)
Income taxes paid	(64)	(10)
Net cash provided by (used in) operating activities	(204)	728
Cash flows from investing activities		
Payments into time deposits	(20)	–
Proceeds from withdrawal of time deposits	10	20
Purchase of property, plant and equipment	(185)	(106)
Proceeds from sale of property, plant and equipment	13	–
Proceeds from sale of shares of subsidiaries and associates	–	278
Proceeds from collection of loans receivable	2	8
Other, net	–	(14)
Net cash provided by (used in) investing activities	(180)	187
Cash flows from financing activities		
Proceeds from short-term borrowings	800	100
Repayments of long-term borrowings	(506)	(552)
Purchase of treasury shares	(23)	(0)
Dividends paid	(53)	(59)
Net cash provided by (used in) financing activities	216	(512)
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	(168)	403
Cash and cash equivalents at beginning of period	551	382
Cash and cash equivalents at end of period	382	785