

Translation

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

May 14, 2024

Company name: TAZMO CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 6266 URL <https://tazmo.co.jp/irlibrary/#irlib-report01>
 Representative: President and Representative Director YASUYUKI SATO
 Executive Managing Director General
 Inquiries: Maneger for Management Headquarters HISAO YOSHIKUNI TEL 086-239-5000
 Scheduled date to file Quarterly Securities Report: May 14, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 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 March 31, 2024 (from January 1, 2024 to March 31, 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 March 31, 2024	5,905	52.8	570	–	662	–	425	–
Three months ended March 31, 2023	3,864	(36.0)	(136)	–	(231)	–	(219)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2024	29.03	–
Three months ended March 31, 2023	(15.11)	–

(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	49,899	20,568	40.5	1,380.05
As of December 31, 2023	47,428	20,095	41.7	1,350.22

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 December 31, 2023	–	0.00	–	24.00	24.00
Year ending December 31, 2024	–				
Year ending December 31, 2024 (Forecast)		0.00	–	30.00	30.00

3. Forecast of consolidated financial results for the year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

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 June 30, 2024	16,865	61.6	2,110	291.0	2,090	195.7	1,455	960.3	99.67
Full year	36,000	27.8	4,600	25.9	4,500	15.7	3,060	29.8	209.48

4. Notes

- (1) Changes in significant subsidiaries during the three months ended March 31, 2024
(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: Yes
- (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 March 31, 2024	14,836,691 shares	As of December 31, 2023	14,836,691 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	194,972 shares	As of December 31, 2023	196,237 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2024	14,640,546 shares	Three months ended March 31, 2023	14,549,306 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	6,899,779	7,828,452
Notes and accounts receivable - trade	5,674,454	4,910,956
Electronically recorded monetary claims - operating	2,712,839	4,114,291
Inventories	22,173,970	23,581,225
Other	1,959,636	1,231,282
Total current assets	39,420,680	41,666,208
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,765,877	3,754,161
Machinery, equipment and vehicles, net	1,126,533	1,156,144
Land	1,288,477	1,296,394
Other, net	826,849	1,004,474
Total property, plant and equipment	7,007,738	7,211,175
Intangible assets		
Software	106,467	95,601
Other	51,307	49,337
Total intangible assets	157,774	144,939
Investments and other assets		
Investment securities	66,921	66,698
Deferred tax assets	359,900	382,110
Other	420,639	433,225
Allowance for doubtful accounts	(4,797)	(5,013)
Total investments and other assets	842,665	877,020
Total non-current assets	8,008,177	8,233,135
Total assets	47,428,858	49,899,343

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,098,819	1,649,230
Electronically recorded obligations - operating	4,097,812	3,939,839
Short-term borrowings	6,436,717	3,555,660
Accounts payable - other	1,472,832	1,335,502
Income taxes payable	1,023,245	311,102
Contract liabilities	5,246,027	8,597,874
Provision for bonuses	328,488	475,344
Provision for product warranties	454,568	394,653
Provision for share awards	6,869	7,668
Other	214,981	260,960
Total current liabilities	21,380,362	20,527,835
Non-current liabilities		
Long-term borrowings	5,075,329	7,871,610
Provision for share awards	284,299	294,379
Provision for retirement benefits for directors (and other officers)	25,179	26,180
Retirement benefit liability	68,343	70,425
Asset retirement obligations	187,778	199,188
Other	311,762	341,033
Total non-current liabilities	5,952,693	8,802,818
Total liabilities	27,333,055	29,330,653
Net assets		
Shareholders' equity		
Share capital	3,556,896	3,556,896
Capital surplus	3,415,301	3,415,301
Retained earnings	12,197,637	12,266,673
Treasury shares	(311,894)	(309,956)
Total shareholders' equity	18,857,940	18,928,914
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	30	(223)
Foreign currency translation adjustment	909,862	1,277,630
Total accumulated other comprehensive income	909,892	1,277,407
Non-controlling interests	327,969	362,367
Total net assets	20,095,803	20,568,689
Total liabilities and net assets	47,428,858	49,899,343

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024
Net sales	3,864,643	5,905,783
Cost of sales	2,881,100	4,022,560
Gross profit	983,543	1,883,222
Selling, general and administrative expenses	1,120,216	1,312,692
Operating profit (loss)	(136,673)	570,530
Non-operating income		
Interest income	1,286	5,004
Rental income	1,772	–
Foreign exchange gains	–	100,620
Subsidy income	78	–
Other	3,000	6,168
Total non-operating income	6,138	111,793
Non-operating expenses		
Interest expenses	9,709	16,453
Foreign exchange losses	82,520	–
Other	8,441	3,779
Total non-operating expenses	100,671	20,232
Ordinary profit (loss)	(231,207)	662,090
Extraordinary income		
Gain on sale of non-current assets	12,803	–
Total extraordinary income	12,803	–
Profit (loss) before income taxes	(218,403)	662,090
Income taxes	(1,610)	220,797
Profit (loss)	(216,793)	441,292
Profit attributable to non-controlling interests	3,114	16,220
Profit (loss) attributable to owners of parent	(219,908)	425,072

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024
Profit (loss)	(216,793)	441,292
Other comprehensive income		
Valuation difference on available-for-sale securities	7	(253)
Foreign currency translation adjustment	151,652	385,945
Total other comprehensive income	151,660	385,691
Comprehensive income	(65,133)	826,984
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(74,622)	792,586
Comprehensive income attributable to non-controlling interests	9,488	34,397