

Consolidated Financial Summary Cumulative First Quarter of FY2025

(April 1, 2024 – June 30, 2024)

TS TECH Co.,Ltd.

This document is an English translation of the Japanese language version of the consolidated financial summary that TS TECH Co., Ltd. has produced as a reference purpose.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Consolidated Financial Summary for the Cumulative First Quarter of FY2025 (under IFRS)

August 9, 2024

Company name: TS TECH CO., LTD. Stock exchange listing: Tokyo Stock Exchange
 Stock code: 7313 URL: <https://www.tstech.co.jp>
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 Scheduled date of commencement of dividend payment: —
 Preparation of supplementary explanatory material: None
 Quarterly results briefing: None

(Amounts of less than one million yen are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Cumulative First Quarter of FY2025 (April 1, 2024 – June 30, 2024)

(1) Consolidated Financial Results (Cumulative Total)

(%: year-on-year change)

	Revenue		Operating income		Income before tax		Net income		Income attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First quarter of FY2025	112,516	20.7	2,495	—	3,810	153.9	3,008	520.8	2,473	—	11,215	(22.7)
First quarter of FY2024	93,190	13.6	99	—	1,500	65.0	484	—	127	—	14,517	8.2

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
First quarter of FY2025	19.39	—
First quarter of FY2024	1.00	—

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Million yen	Million yen	Million yen	%	Yen
First quarter of FY2025	449,324	350,628	331,795	73.8	2,601.72
FY2024	446,214	348,703	326,932	73.3	2,563.58

2. Cash Dividends

	Annual cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	End of year	Annual
	Yen	Yen	Yen	Yen	Yen
FY2024	—	35.00	—	38.00	73.00
FY2025	—	—	—	—	—
FY2025 (forecast)	—	40.00	—	43.00	83.00

(Note) Revision from the most recent announcement of cash dividends forecasts: No

3. Consolidated Forecasts for FY2025 (April 1, 2024 – March 31, 2025)

(%: year-on-year change)

	Revenue		Operating income		Income before tax		Net income		Income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half of FY2025	222,000	9.7	8,000	57.6	9,000	22.8	5,000	22.7	3,500	15.7	27.44
FY2025	450,000	1.9	20,000	14.2	22,500	3.5	15,000	11.2	12,000	17.5	94.05

(Note) Revision from the most recent announcement of consolidated financial forecasts: No

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
 Newly included — companies Excluded 1 company
TECH TOEI CO., LTD.

(Note) Please refer to “2. Condensed Quarterly Consolidated Financial Statements and Significant Notes Thereto (5) Notes Concerning Condensed Quarterly Consolidated Financial Statements, Significant Changes in the scope of consolidation during the period” on page 13 for details.

(2) Changes in accounting policies and accounting estimates

- 1) Changes in accounting policies required by IFRS: None
 2) Changes other than 1): None
 3) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the term including treasury stock	1Q of FY2025	136,000,000 shares	FY2024	136,000,000 shares
2) Number of treasury stock at the end of the term	1Q of FY2025	8,470,554 shares	FY2024	8,470,554 shares
3) Average number of shares during the term (cumulative)	1Q of FY2025	127,529,446 shares	1Q of FY2024	127,504,480 shares

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an auditing firms: None

*Explanation regarding the appropriate use of forecasts of financial results and other notes

The consolidated forecasts presented on the previous page are projections made by management at TS TECH Co., Ltd. (hereinafter the “Company”) on the basis of information available at the time of preparation. For that reason, they involve risks and uncertainties.

Accordingly, we request that readers of this document avoid making investment decisions based exclusively on these forecasts. Please bear in mind the possibility that actual results may differ materially from these forecasts due to various important factors. Readers are asked to proceed to “(3) Qualitative Information Concerning Consolidated Forecasts” on page 4 for assumptions and other information that form the premises for the operating results forecast on the previous page.

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1. Qualitative Information Concerning Results

(1) Qualitative Information Concerning Consolidated Financial Results

Revenue for the cumulative First quarter of FY2025 (April 1, 2024 – June 30, 2024) reached 112,516 million yen on a consolidated basis, an increase of 19,326 million yen (20.7%) from the same period in FY2024, mainly due to the effects of foreign exchange rates and higher production mainly in Americas and Japan.

Looking at profits, operating income stood at 2,495 million yen, an increase of 2,396 million yen (2,417.4%) year on year due to the effect of higher revenue, offsetting higher expenses. Income attributable to owners of parent increased of 2,345 million yen (1,834.4%) year on year to 2,473 million yen.

* USD/JPY average exchange rate: 1Q FY2024: ¥137.5 1Q FY2025: ¥155.9

* CNY/JPY average exchange rate: 1Q FY2024: ¥19.6 1Q FY2025: ¥21.5

Operating performance by segment is as follows.

(Japan)

(Unit: Million yen)

	Cumulative First quarter of FY2024	Cumulative First quarter of FY2025	Difference	Change
Revenue	17,420	24,900	7,480	42.9%
Operating income	1,462	2,105	643	44.0%

Main factors for year-on-year change

Revenue Revenue increased primarily due to the effects of higher production and improved model mix.

Operating income Operating income increased primarily due to higher revenue, offsetting higher expenses.

(Americas)

(Unit: Million yen)

	Cumulative First quarter of FY2024	Cumulative First quarter of FY2025	Difference	Change
Revenue	54,249	68,769	14,520	26.8%
Operating income/loss	(323)	1,249	1,572	-%

Main factors for year-on-year change

Revenue Revenue increased primarily due to the effects of foreign exchange rates and higher production.

Operating income Operating income increased primarily due to higher revenue, offsetting higher expenses such as labor costs.

(China)

(Unit: Million yen)

	Cumulative First quarter of FY2024	Cumulative First quarter of FY2025	Difference	Change
Revenue	18,469	15,723	(2,746)	(14.9%)
Operating income	932	833	(99)	(10.6%)

Main factors for year-on-year change

Revenue Revenue decreased primarily due to the impact of lower production, offsetting the effects of foreign exchange rates and improved model mix.

Operating income Operating income decreased primarily due to the impact of lower revenue, offsetting expenses reduction.

(Asia and Europe)

(Unit: Million yen)

	Cumulative First quarter of FY2024	Cumulative First quarter of FY2025	Difference	Change
Revenue	8,756	9,036	279	3.2%
Operating income/loss	(451)	(65)	386	—%

Main factors for year-on-year change

Revenue Revenue increased slightly due to the effects of foreign exchange rates and higher parts sales, offsetting the impact of lower production.

Operating income Operating income increased primarily due to higher revenue and other factors such as expenses reduction.

Sales by business segment are as follows:

(Unit: Million yen)

	Cumulative First quarter of FY2024		Cumulative First quarter of FY2025		Difference	Change
		Sales ratio		Sales ratio		
Motorcycles	1,868	2.0 %	1,943	1.7 %	74	4.0 %
Automobiles	86,427	92.7 %	104,956	93.3 %	18,529	21.4 %
(Seats)	78,172	83.9 %	95,708	85.1 %	17,536	22.4 %
(Interior products)	8,254	8.9 %	9,247	8.2 %	992	12.0 %
Other businesses	4,894	5.3 %	5,616	5.0 %	722	14.8 %
Total	93,190	100.0 %	112,516	100.0 %	19,326	20.7 %

(2) Qualitative Information Concerning Consolidated Financial Positions

(Assets)

Assets at the end of the First quarter of FY2025 stood at 449,324 million yen, an increase of 3,109 million yen from the end of the previous consolidated fiscal year. This change was mainly due to an overall increase in assets attributable to the impact of foreign exchange rates and other factors. These factors more than offset declining trade and other receivables due to decreased orders from major customers.

(Liabilities)

Liabilities at the end of the First quarter of FY2025 amounted to 98,695 million yen, an increase of 1,185 million yen from the end of the previous consolidated fiscal year. This change resulted primarily from an overall increase in liabilities attributable to the impact of foreign exchange rates and other factors.

(Equity)

Equity at the end of the First quarter of FY2025 was 350,628 million yen, an increase of 1,924 million yen from the end of the previous consolidated fiscal year. This change was primarily the result from an increase in other equity components attributable to an increase in differences on translation from foreign operations, offsetting a decrease in retained earnings and non-controlling interests on the payment of cash dividends.

(3) Qualitative Information Concerning Consolidated Forecasts

Taking into account consolidated operating results for the cumulative First quarter of FY2025 as well as the current trend in orders from major customers and foreign exchange rates, the Company is keeping the consolidated forecasts announced on May 10, 2024 unchanged.

2. Condensed Quarterly Consolidated Financial Statements and Significant Notes Thereto
 (1) Condensed Quarterly Consolidated Statement of Financial Position

(Unit: Million yen)

	FY2024 (As of March 31, 2024)	First quarter of FY2025 (As of June 30, 2024)
Assets		
Current assets		
Cash and cash equivalents	150,755	152,924
Trade and other receivables	66,616	60,545
Other financial assets	10,292	10,435
Inventories	35,332	37,110
Income taxes receivables	3,314	3,974
Other current assets	6,207	6,775
Total current assets	272,518	271,765
Non-current assets		
Property, plant and equipment	90,203	93,255
Intangible assets	11,157	11,507
Investments accounted for using the equity method	18,307	17,945
Other financial assets	39,442	40,217
Defined benefit assets	8,322	8,342
Deferred tax assets	5,839	5,878
Other non-current assets	423	410
Total non-current assets	173,696	177,558
Total assets	446,214	449,324

(Unit: Million yen)

	FY2024 (As of March 31, 2024)	First quarter of FY2025 (As of June 30, 2024)
Liabilities and equity		
Current liabilities		
Trade and other payables	69,453	70,518
Other financial liabilities	1,147	1,486
Income tax payables	4,695	4,710
Provisions	99	94
Other current liabilities	6,896	7,763
Total current liabilities	82,292	84,574
Non-current liabilities		
Other financial liabilities	3,535	3,571
Defined benefit liabilities	2,077	2,160
Provisions	159	145
Deferred tax liabilities	8,119	6,847
Other non-current liabilities	1,326	1,397
Total non-current liabilities	15,218	14,121
Total liabilities	97,510	98,695
Equity		
Capital stock	4,700	4,700
Capital surplus	5,381	5,395
Treasury stock	(12,434)	(12,434)
Retained earnings	269,715	267,342
Other components of equity	59,569	66,792
Total equity attributable to owners of parent	326,932	331,795
Non-controlling interests	21,771	18,832
Total equity	348,703	350,628
Total liabilities and equity	446,214	449,324

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income
Condensed Quarterly Consolidated Statement of Income
Consolidated Cumulative First Quarter

(Unit: Million yen)

	Consolidated cumulative First quarter of FY2024 (April 1, 2023– June 30, 2023)	Consolidated cumulative First quarter of FY2025 (April 1, 2024– June 30, 2024)
Revenue	93,190	112,516
Cost of sales	(83,148)	(98,293)
Gross profit	10,041	14,222
Selling, general and administrative expenses	(10,797)	(11,918)
Other income	1,270	363
Other expenses	(415)	(171)
Operating income	99	2,495
Finance income	1,734	1,580
Finance costs	(155)	(503)
Share of profit (loss) of investments accounted for using the equity method	(177)	237
Income before tax	1,500	3,810
Income tax expense	(1,015)	(801)
Net income	484	3,008
Income attributable to		
Owners of parent	127	2,473
Non-controlling interests	356	535
Net income	484	3,008
Earnings per share		
Basic earnings per share (yen)	1.00	19.39
Diluted earnings per share (yen)	–	–

Condensed Quarterly Consolidated Statement of Comprehensive Income
Consolidated Cumulative First Quarter

(Unit: Million yen)

	Consolidated cumulative First quarter of FY2024 (April 1, 2023– June 30, 2023)	Consolidated cumulative First quarter of FY2025 (April 1, 2024– June 30, 2024)
Net income	484	3,008
Other comprehensive income		
Components that will not be reclassified subsequently to net profit or loss		
Remeasurements of defined benefits plans	(7)	(15)
Financial assets measured at fair value through other comprehensive income	2,560	(1,245)
Share of other comprehensive income of associates accounted for using the equity method	224	(90)
Total components that will not be reclassified subsequently to net profit or loss	2,777	(1,351)
Components that may be reclassified subsequently to net profit or loss		
Differences on translation from foreign operations	11,049	9,587
Share of other comprehensive income of associates accounted for using the equity method	205	(28)
Total components that may be reclassified subsequently to net profit or loss	11,255	9,558
Other comprehensive income, net of tax	14,033	8,206
Comprehensive income for the period	14,517	11,215
Comprehensive income for the period attributable to		
Owners of parent	13,588	9,695
Non-controlling interests	928	1,520
Comprehensive income for the period	14,517	11,215

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
Consolidated Cumulative First Quarter of FY2024 (April 1, 2023 – June 30, 2023)

(Unit: Million yen)

	Equity attributable to owners of parent				
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity
Balance at the beginning of the fiscal year	4,700	5,392	(12,508)	268,172	33,035
Comprehensive income					
Net income				127	
Other comprehensive income					13,461
Total comprehensive income	–	–	–	127	13,461
Transactions with owners, etc.					
Dividends				(4,207)	
Share-based payments		30			
Other			(4)		–
Total transactions with owners, etc.	–	30	(4)	(4,207)	–
Balance at the end of the period	4,700	5,422	(12,513)	264,092	46,496

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at the beginning of the fiscal year	298,791	24,666	323,458
Comprehensive income			
Net income	127	356	484
Other comprehensive income	13,461	572	14,033
Total comprehensive income	13,588	928	14,517
Transactions with owners, etc.			
Dividends	(4,207)	(6,687)	(10,894)
Share-based payments	30		30
Other	(4)		(4)
Total transactions with owners, etc.	(4,182)	(6,687)	(10,869)
Balance at the end of the period	308,198	18,908	327,107

Consolidated Cumulative First Quarter of FY2025 (April 1, 2024 – June 30, 2024)

(Unit: Million yen)

	Equity attributable to owners of parent				
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity
Balance at the beginning of the fiscal year	4,700	5,381	(12,434)	269,715	59,569
Comprehensive income					
Net income				2,473	
Other comprehensive income					7,222
Total comprehensive income	–	–	–	2,473	7,222
Transactions with owners, etc.					
Dividends				(4,846)	
Share-based payments		13			
Other					
Total transactions with owners, etc.	–	13	–	(4,846)	–
Balance at the end of the period	4,700	5,395	(12,434)	267,342	66,792

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at the beginning of the fiscal year	326,932	21,771	348,703
Comprehensive income			
Net income	2,473	535	3,008
Other comprehensive income	7,222	984	8,206
Total comprehensive income	9,695	1,520	11,215
Transactions with owners, etc.			
Dividends	(4,846)	(4,458)	(9,304)
Share-based payments	13		13
Other	–		–
Total transactions with owners, etc.	(4,832)	(4,458)	(9,290)
Balance at the end of the period	331,795	18,832	350,628

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Unit: Million yen)

	Consolidated cumulative First quarter of FY2024 (April 1, 2023– June 30, 2023)	Consolidated cumulative First quarter of FY2025 (April 1, 2024– June 30, 2024)
Cash flows from operating activities		
Income before tax	1,500	3,810
Depreciation and amortization	2,990	3,405
Loss (gain) on disposal of non-current assets	(133)	(75)
Finance income and finance costs	(909)	(751)
Share of loss (profit) of investments accounted for using the equity method	177	(237)
Decrease (increase) in trade and other receivables	12,408	9,000
Decrease (increase) in lease receivables	44	(51)
Decrease (increase) in inventories	(1,039)	(251)
Increase (decrease) in trade and other payables	(6,656)	(2,743)
Increase or decrease in net defined benefit asset or liability	14	2
Increase (decrease) in provisions	1	(18)
Other	(2,994)	(739)
Subtotal	5,404	11,350
Interest income received	800	701
Dividend income received	394	632
Interest expenses paid	(154)	(503)
Income taxes paid	(2,721)	(2,075)
Cash flows from operating activities	3,725	10,104
Cash flows from investing activities		
Payments into time deposits	(1,398)	(5,559)
Proceeds from withdrawal of time deposits	1,035	7,494
Purchase of property, plant and equipment	(3,963)	(2,975)
Proceeds from sales of property, plant and equipment	147	426
Purchase of intangible assets	(874)	(908)
Purchase of equity instruments	(31)	(4,081)
Proceeds from sales of equity instruments	–	5
Payments of loans receivable	(141)	(34)
Collection of loans receivable	38	42
Other	475	(1)
Cash flows from investing activities	(4,713)	(5,591)

(Unit: Million yen)

	Consolidated cumulative First quarter of FY2024 (April 1, 2023– June 30, 2023)	Consolidated cumulative First quarter of FY2025 (April 1, 2024– June 30, 2024)
Cash flows from financial activities		
Repayments of lease liabilities	(332)	(319)
Cash dividends paid	(4,214)	(4,854)
Cash dividends paid to non-controlling interests	(3,199)	(2,236)
Cash flows from financial activities	(7,746)	(7,410)
Effect of exchange rate change on cash and cash equivalents	3,633	5,067
Net increase (decrease) in cash and cash equivalents	(5,101)	2,169
Cash and cash equivalents at the beginning of the period	132,914	150,755
Cash and cash equivalents at the end of the period	127,812	152,924

(5) Notes Concerning Condensed Quarterly Consolidated Financial Statements

(Notes Concerning Segment Information)

Information about revenue, profits, or losses for reportable segments

Consolidated Cumulative First quarter of FY2024 (April 1, 2023 – June 30, 2023)

(Unit: Million yen)

	Reportable segments					Adjustments	Amounts stated in consolidated F/S
	Japan	Americas	China	Asia and Europe	Total		
Revenue							
External revenue	12,719	54,198	17,980	8,291	93,190	–	93,190
Inter-segment transfer	4,700	50	489	465	5,706	(5,706)	–
Total	17,420	54,249	18,469	8,756	98,896	(5,706)	93,190
Segment profits (losses)	1,462	(323)	932	(451)	1,620	(1,521)	99
Finance income and finance costs	–	–	–	–	–	–	1,578
Share of loss of investments accounted for using the equity method	–	–	–	–	–	–	(177)
Income before tax	–	–	–	–	–	–	1,500

- (Notes)
- Adjustments of (1,521) million yen for segment profits include a deduction of 42 million yen for transactions among segments and operating expenses of (1,563) million yen associated with the administrative division at the parent company headquarters, which could not be allocated.
 - Segment profits are adjusted to operating income in the condensed quarterly consolidated statements of income.

Consolidated Cumulative First quarter of FY2025 (April 1, 2024 – June 30, 2024)

(Unit: Million yen)

	Reportable segments					Adjustments	Amounts stated in consolidated F/S
	Japan	Americas	China	Asia and Europe	Total		
Revenue							
External revenue	20,206	68,535	15,134	8,639	112,516	–	112,516
Inter-segment transfer	4,693	234	589	396	5,913	(5,913)	–
Total	24,900	68,769	15,723	9,036	118,430	(5,913)	112,516
Segment profits (losses)	2,105	1,249	833	(65)	4,123	(1,627)	2,495
Finance income and finance costs	–	–	–	–	–	–	1,076
Share of profit of investments accounted for using the equity method	–	–	–	–	–	–	237
Income before tax	–	–	–	–	–	–	3,810

- (Notes)
- Adjustments of (1,627) million yen for segment profits include a deduction of (107) million yen for transactions among segments and operating expenses of (1,520) million yen associated with the administrative division at the parent company headquarters, which could not be allocated.
 - Segment profits are adjusted to operating income in the condensed quarterly consolidated statements of income.

(Notes Concerning Going Concern Assumption)

Not applicable

(Significant changes in the scope of consolidation during the period)

The Group merged its consolidated subsidiary SOWA SANGYO CO., LTD. with TECH TOEI CO., LTD. during the period. As a result, TECH TOEI CO., LTD. has been excluded from the scope of consolidation effective this consolidated accounting period. In addition, SOWA SANGYO CO., LTD. has changed its company name to TS PARTS & SERVICE CO., LTD.

As the merger took place between two wholly-owned subsidiaries, the impact on the consolidated operating results is minimal.