

Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)

* All amounts are rounded down to the nearest million yen.

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(1) Operating results

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1st quarter ended June 30, 2024	34,830	(10.7)	2,940	3.3	4,190	9.2	3,012	6.4
1st quarter ended June 30, 2023	39,010	4.5	2,845	(21.7)	3,837	(32.3)	2,831	(54.6)

Note: Comprehensive income: 1st quarter ended June 30, 2024 4,346 million yen [2.4%]
1st quarter ended June 30, 2023 4,244 million yen [(33.3%)]

Percentage figures for net sales, operating profit, ordinary profit and profit attributable to owners of parent represent year-on-year comparisons.

	Earnings per share	
	Basic	Diluted
	Yen	Yen
1st quarter ended June 30, 2024	121.57	—
1st quarter ended June 30, 2023	114.25	—

(2) Financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	213,047	121,655	54.6
As of March 31, 2024	214,404	120,050	53.6

Reference: Equity As of June 30, 2024 116,426 million yen As of March 31, 2024 114,916 million yen

2. Dividends

	Dividends per share				
	Q1	Q2	Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	57.50	—	101.50	159.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (forecast)		85.00	—	85.00	170.00

Note: Revision to recently announced dividend forecasts: None

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

	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
First half	72,000	(9.0)	4,000	(33.5)	4,500	(28.6)	3,500	(38.3)	141.24
Full year	156,000	(2.7)	11,000	(24.3)	12,500	(23.2)	10,000	(19.9)	403.55

Notes:

- Percentage figures represent changes from the corresponding period in the previous year.
- Revision to recently announced financial forecast: None

*This financial release is not subject to audit procedures.

*Cautionary note regarding forward-looking statements:

The forecast above is based on data available as of the date of release of this document as well as assumptions based on uncertain factors, which might have a material effect on the Company's performance in the future.

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	21,000	23,507
Notes and accounts receivable - trade, and contract assets	42,655	39,068
Merchandise and finished goods	28,768	29,055
Work in process	2,553	2,551
Raw materials and supplies	17,754	17,354
Other	3,179	2,902
Allowance for doubtful accounts	(116)	(171)
Total current assets	115,795	114,269
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,335	18,323
Machinery, equipment and vehicles, net	19,131	18,582
Land	20,483	20,486
Construction in progress	2,033	1,798
Other, net	4,222	4,264
Total property, plant and equipment	64,206	63,455
Intangible assets		
Other	835	820
Total intangible assets	835	820
Investments and other assets		
Investment securities	22,345	23,309
Other	11,335	11,319
Allowance for doubtful accounts	(113)	(127)
Total investments and other assets	33,567	34,502
Total non-current assets	98,609	98,777
Total assets	214,404	213,047

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,903	14,706
Short-term borrowings	11,285	11,302
Income taxes payable	1,973	1,263
Contract liabilities	967	868
Provision for bonuses	1,246	416
Provision for business restructuring	105	105
Other	13,522	14,685
Total current liabilities	45,004	43,347
Non-current liabilities		
Bonds payable	23,000	23,000
Long-term borrowings	18,720	16,816
Provision for special repairs	2,058	2,163
Provision for share awards for directors (and other officers)	32	45
Provision for share awards for employees	192	237
Retirement benefit liability	5,145	5,202
Other	200	578
Total non-current liabilities	49,349	48,044
Total liabilities	94,353	91,391
Net assets		
Shareholders' equity		
Share capital	18,168	18,168
Capital surplus	8,109	8,109
Retained earnings	80,443	80,892
Treasury shares	(3,829)	(3,829)
Total shareholders' equity	102,891	103,341
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,680	6,028
Deferred gains or losses on hedges	21	49
Foreign currency translation adjustment	5,543	6,258
Remeasurements of defined benefit plans	778	747
Total accumulated other comprehensive income	12,024	13,085
Non-controlling interests	5,134	5,229
Total net assets	120,050	121,655
Total liabilities and net assets	214,404	213,047

Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	39,010	34,830
Cost of sales	29,428	24,751
Gross profit	9,582	10,079
Selling, general and administrative expenses	6,736	7,138
Operating profit	2,845	2,940
Non-operating income		
Interest income	29	32
Dividend income	259	271
Share of profit of entities accounted for using equity method	257	108
Foreign exchange gains	431	848
Other	506	360
Total non-operating income	1,484	1,621
Non-operating expenses		
Interest expenses	91	79
Cost of inactive non-current assets	23	101
Other	378	190
Total non-operating expenses	493	371
Ordinary profit	3,837	4,190
Profit before income taxes	3,837	4,190
Income taxes	789	1,053
Profit	3,048	3,136
Profit attributable to non-controlling interests	217	124
Profit attributable to owners of parent	2,831	3,012

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	3,048	3,136
Other comprehensive income		
Valuation difference on available-for-sale securities	520	348
Deferred gains or losses on hedges	(127)	28
Foreign currency translation adjustment	660	505
Remeasurements of defined benefit plans, net of tax	(21)	(31)
Share of other comprehensive income of entities accounted for using equity method	164	358
Total other comprehensive income	1,196	1,210
Comprehensive income	4,244	4,346
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,007	4,073
Comprehensive income attributable to non-controlling interests	237	273

Notes to Consolidated Financial Statements

Summary of research and development activities during the 1st quarter

The Group's research and development (R&D) expenses during the first quarter under review amounted to 1,727 million yen.

There have been no significant changes in the status of the Group's research and development activities during the first quarter under review.

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024	Change	
			Amount	%
R&D expenses	1,477	1,727	249	16.9

Notes to changes in accounting policies

(Application of "Accounting Standard for Current Income Taxes" and other regulations)

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No.27, October 28, 2022; hereinafter the "Revised Accounting Standard 2022") and relevant regulations have been applied from the beginning of the first quarter of the fiscal year ending March 31, 2025.

Revisions to categories for recording income taxes (taxation on other comprehensive income) are subject to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment in the proviso of paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No.28, October 28, 2022). These changes to our accounting policies do not affect our quarterly consolidated financial statements.

Adoption of specific accounting policies for quarterly consolidated financial statement

Income tax expenses of Central Glass Co., Ltd. and some consolidated subsidiaries are calculated by multiplying quarterly income before income taxes by the effective tax rate that is reasonably estimated by applying tax effect accounting to the projected annual income before income taxes.

Segment Information

[1st quarter ended June 30, 2023]

(Millions of yen)

	Chemicals	Glass	Total	Adjustments*	Consolidated
Net sales:					
External customers	25,104	13,905	39,010	—	39,010
Intersegment	292	0	292	(292)	—
Total	25,397	13,905	39,303	(292)	39,010
Segment profit (Operating profit)	2,518	326	2,845	—	2,845

[1st quarter ended June 30, 2024]

(Millions of yen)

	Chemicals	Glass	Total	Adjustments*	Consolidated
Net sales:					
External customers	20,972	13,858	34,830	—	34,830
Intersegment	344	13	357	(357)	—
Total	21,316	13,871	35,188	(357)	34,830
Segment profit (Operating profit)	2,243	697	2,940	—	2,940

*Adjustments are intersegment eliminations.

Notes to significant changes in the amount of shareholders' equity

Not applicable.

Notes to going concern assumption

Not applicable.

Notes to quarterly consolidated statement of cash flows

Quarterly consolidated statements of cash flows have not been prepared for the first quarter of the current fiscal year. Depreciation (including amortization related to intangible assets) for the first quarter of the fiscal year under review are as follows.

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Depreciation	2,241	2,199