

Translation

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

November 14, 2022

Company name: Rasa Industries, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4022 URL <https://www.rasa.co.jp/>
 Representative: PRESIDENT SAKAO Kousaku
 MANAGING DIRECTOR GENERAL
 Inquiries: MOCHIZUKI Tetsuo TEL 03-3258-1835
 MANAGER ACCOUNTING DEPT.
 Scheduled date to file Quarterly Securities Report: November 14, 2022
 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 six months ended September 30, 2022 (from April 1, 2022 to September 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	%
Six months ended September 30, 2022	25,205	56.4	2,626	73.2	2,750	77.5	1,831	70.1
Six months ended September 30, 2021	16,110	13.0	1,516	31.8	1,549	36.9	1,076	23.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	231.31		–	
Six months ended September 30, 2021	135.80		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	46,530	22,138	47.3
As of March 31, 2022	41,924	20,301	48.2

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	–	–	–	70.00	70.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	–	–	70.00	70.00

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	52,600	48.5	4,500	29.5	4,600	29.1	3,200	26.0	404.38

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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: Yes
- 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 September 30, 2022	7,944,203 shares	As of March 31, 2022	7,944,203 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	30,789 shares	As of March 31, 2022	10,409 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	7,915,911 shares	Six months ended September 30, 2021	7,927,687 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	3,538	3,469
Notes and accounts receivable - trade	10,378	12,697
Merchandise and finished goods	2,581	3,390
Work in process	976	1,054
Raw materials and supplies	1,780	2,841
Other	332	467
Allowance for doubtful accounts	(2)	(3)
Total current assets	19,584	23,917
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,832	4,430
Machinery, equipment and vehicles, net	3,828	5,358
Tools, furniture and fixtures, net	545	914
Land	6,908	6,909
Construction in progress	3,349	1,106
Other, net	102	96
Total property, plant and equipment	18,566	18,816
Intangible assets	47	42
Investments and other assets		
Investment securities	2,195	2,347
Other	1,544	1,413
Allowance for doubtful accounts	(14)	(7)
Total investments and other assets	3,725	3,753
Total non-current assets	22,339	22,612
Total assets	41,924	46,530

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,264	5,141
Short-term borrowings	5,806	8,460
Income taxes payable	712	817
Provision for bonuses	401	419
Other	1,635	1,711
Total current liabilities	12,821	16,550
Non-current liabilities		
Long-term borrowings	5,337	4,345
Retirement benefit liability	3,066	3,110
Provision for environmental measures	4	4
Other	393	381
Total non-current liabilities	8,801	7,841
Total liabilities	21,622	24,391
Net assets		
Shareholders' equity		
Share capital	8,443	8,443
Retained earnings	11,523	12,798
Treasury shares	(23)	(59)
Total shareholders' equity	19,943	21,182
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	44	18
Deferred gains or losses on hedges	9	30
Foreign currency translation adjustment	500	1,047
Remeasurements of defined benefit plans	(291)	(264)
Total accumulated other comprehensive income	263	832
Non-controlling interests	95	122
Total net assets	20,301	22,138
Total liabilities and net assets	41,924	46,530

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	16,110	25,205
Cost of sales	12,242	20,142
Gross profit	3,868	5,062
Selling, general and administrative expenses	2,351	2,435
Operating profit	1,516	2,626
Non-operating income		
Dividend income	24	27
Rental income from land and buildings	16	13
Share of profit of entities accounted for using equity method	114	191
Other	60	66
Total non-operating income	215	299
Non-operating expenses		
Interest expenses	70	93
Inactive mine environmental impact mitigation expenses	71	56
Other	41	26
Total non-operating expenses	183	176
Ordinary profit	1,549	2,750
Extraordinary income		
Gain on sale of investment securities	–	2
Total extraordinary income	–	2
Extraordinary losses		
Loss on disaster	–	32
Total extraordinary losses	–	32
Profit before income taxes	1,549	2,720
Income taxes - current	428	745
Income taxes - deferred	36	125
Total income taxes	464	871
Profit	1,084	1,849
Profit attributable to non-controlling interests	7	18
Profit attributable to owners of parent	1,076	1,831

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	1,084	1,849
Other comprehensive income		
Valuation difference on available-for-sale securities	(10)	(26)
Deferred gains or losses on hedges	–	20
Foreign currency translation adjustment	215	445
Remeasurements of defined benefit plans, net of tax	26	27
Share of other comprehensive income of entities accounted for using equity method	29	113
Total other comprehensive income	261	580
Comprehensive income	1,345	2,430
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,332	2,400
Comprehensive income attributable to non-controlling interests	13	29

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from operating activities		
Profit before income taxes	1,549	2,720
Depreciation	756	915
Increase (decrease) in retirement benefit liability	30	83
Interest and dividend income	(24)	(27)
Share of loss (profit) of entities accounted for using equity method	(114)	(191)
Interest expenses	70	93
Decrease (increase) in trade receivables	(160)	(2,115)
Decrease (increase) in inventories	235	(1,717)
Decrease (increase) in other assets	(15)	(123)
Increase (decrease) in trade payables	146	827
Increase (decrease) in other liabilities	205	116
Other, net	71	(24)
Subtotal	2,752	556
Interest and dividends received	24	132
Interest paid	(71)	(94)
Income taxes paid	(452)	(661)
Net cash provided by (used in) operating activities	2,253	(68)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,129)	(789)
Other, net	(14)	(25)
Net cash provided by (used in) investing activities	(1,143)	(815)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	288	3,155
Proceeds from long-term borrowings	691	–
Repayments of long-term borrowings	(1,376)	(1,910)
Dividends paid	(353)	(551)
Other, net	(19)	(72)
Net cash provided by (used in) financing activities	(770)	620
Effect of exchange rate change on cash and cash equivalents	77	193
Net increase (decrease) in cash and cash equivalents	417	(69)
Cash and cash equivalents at beginning of period	3,407	3,538
Cash and cash equivalents at end of period	3,824	3,469