

Translation

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

November 11, 2022

Company name: SEIKO PMC CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 4963 URL <https://www.seikopmc.co.jp/>  
 Representative: Representative Director, President and CEO Seido Kan  
 Executive Officer, Head of Administration  
 Inquiries: Division Hiroharu Kawano TEL 03-6202-7331  
 Scheduled date to file Quarterly Securities Report: November 11, 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 nine months ended September 30, 2022 (from January 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	%
Nine months ended September 30, 2022	24,162	5.0	1,590	(30.0)	2,389	(3.1)	1,760	7.3
Nine months ended September 30, 2021	23,016	22.0	2,272	37.0	2,464	46.4	1,641	54.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2022	58.08		–	
Nine months ended September 30, 2021	54.13		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	46,520	31,923	67.9
As of December 31, 2021	41,882	31,593	70.9

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2021	–	8.00	–	8.00	16.00
Year ending December 31, 2022	–	8.00	–		
Year ending December 31, 2022 (Forecast)				8.00	16.00

### 3. Forecast of consolidated financial results for the year ending December 31, 2022 (from January 1, 2022 to December 31, 2022)

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	32,840	5.8	2,040	(28.9)	2,690	(14.3)	1,970	(5.4)	64.97

4. Notes

- (1) Changes in significant subsidiaries during the nine 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	30,321,283 shares	As of December 31, 2021	30,321,283 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	192 shares	As of December 31, 2021	– shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2022	30,321,168 shares	Nine months ended September 30, 2021	30,321,317 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of December 31, 2021	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	2,762,928	4,194,332
Notes and accounts receivable - trade	11,387,861	11,229,547
Electronically recorded monetary claims - operating	1,600,325	1,467,481
Merchandise and finished goods	2,726,936	3,166,422
Work in process	397,925	465,067
Raw materials and supplies	1,683,310	2,076,558
Short-term loans receivable	1,677,980	1,046,591
Other	591,892	1,041,248
Allowance for doubtful accounts	(13,891)	(7,123)
Total current assets	22,815,269	24,680,125
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,442,073	5,309,578
Machinery, equipment and vehicles, net	3,295,801	3,243,168
Land	6,980,330	7,221,417
Construction in progress	2,625,612	2,898,363
Other, net	235,169	213,168
Total property, plant and equipment	16,578,987	18,885,695
Intangible assets	45,495	54,055
Investments and other assets		
Investment securities	937,314	902,140
Retirement benefit asset	863,104	1,174,924
Other	671,668	854,053
Allowance for doubtful accounts	(29,404)	(30,214)
Total investments and other assets	2,442,683	2,900,904
Total non-current assets	19,067,166	21,840,656
Total assets	41,882,436	46,520,782

(Thousands of yen)

	As of December 31, 2021	As of September 30, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	5,057,706	5,250,733
Short-term borrowings	730,000	4,920,066
Current portion of long-term borrowings	82,990	90,950
Income taxes payable	545,813	206,353
Provision for bonuses	669,165	419,079
Other provisions	–	20,700
Other	2,101,296	2,578,653
<b>Total current liabilities</b>	<b>9,186,972</b>	<b>13,486,537</b>
<b>Non-current liabilities</b>		
Long-term borrowings	623,967	615,606
Provision for retirement benefits for directors (and other officers)	7,800	7,800
Asset retirement obligations	87,216	87,602
Other	383,046	399,854
<b>Total non-current liabilities</b>	<b>1,102,030</b>	<b>1,110,863</b>
<b>Total liabilities</b>	<b>10,289,003</b>	<b>14,597,401</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,000,000	2,000,000
Capital surplus	1,576,265	1,149,697
Retained earnings	25,169,029	26,444,848
Treasury shares	–	(115)
<b>Total shareholders' equity</b>	<b>28,745,294</b>	<b>29,594,430</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	299,489	268,336
Deferred gains or losses on hedges	1,199	1,496
Foreign currency translation adjustment	759,049	1,785,177
Remeasurements of defined benefit plans	(102,609)	(71,580)
<b>Total accumulated other comprehensive income</b>	<b>957,128</b>	<b>1,983,429</b>
<b>Non-controlling interests</b>	<b>1,891,009</b>	<b>345,520</b>
<b>Total net assets</b>	<b>31,593,432</b>	<b>31,923,380</b>
<b>Total liabilities and net assets</b>	<b>41,882,436</b>	<b>46,520,782</b>

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

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022
Net sales	23,016,147	24,162,954
Cost of sales	16,563,743	18,241,878
Gross profit	6,452,404	5,921,075
Selling, general and administrative expenses	4,180,116	4,331,022
Operating profit	2,272,287	1,590,052
Non-operating income		
Interest income	12,299	5,947
Dividend income	16,397	19,584
Purchase discounts	9,168	11,847
Foreign exchange gains	93,889	648,921
Subsidy income	24,312	76,033
Other	49,371	53,557
Total non-operating income	205,439	815,892
Non-operating expenses		
Interest expenses	7,180	12,469
Sales discounts	3,297	–
Other	2,480	4,134
Total non-operating expenses	12,958	16,604
Ordinary profit	2,464,768	2,389,340
Extraordinary income		
Subsidy income	–	29,472
Gain on sale of non-current assets	2,981	41
Gain on sale of investment securities	15,718	–
Total extraordinary income	18,699	29,513
Extraordinary losses		
Loss on sale of non-current assets	–	215
Loss on retirement of non-current assets	9,229	51,969
Loss on tax purpose reduction entry of non-current assets	–	29,472
Total extraordinary losses	9,229	81,656
Profit before income taxes	2,474,239	2,337,197
Income taxes - current	723,785	559,251
Income taxes - deferred	(62,122)	4,197
Total income taxes	661,662	563,449
Profit	1,812,576	1,773,748
Profit attributable to non-controlling interests	171,220	12,789
Profit attributable to owners of parent	1,641,356	1,760,959

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended September 30, 2021	Nine months ended September 30, 2022
Profit	1,812,576	1,773,748
Other comprehensive income		
Valuation difference on available-for-sale securities	79,592	(31,153)
Deferred gains or losses on hedges	1,431	297
Foreign currency translation adjustment	629,702	1,057,212
Remeasurements of defined benefit plans, net of tax	114,284	31,028
Total other comprehensive income	825,010	1,057,385
Comprehensive income	2,637,586	2,831,133
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,314,142	2,787,259
Comprehensive income attributable to non-controlling interests	323,444	43,873