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October 28, 2022
Tatsuta Electric Wire
and Cable Co.,Ltd.

These documents are outside the scope of audit.

Financial Summary for the Six Months Ended September 30, 2022

1. Business Segment Information (vs. FY2021)

(Millions of yen)

	FY2021 Actual (①)					FY2022 Newly announced forecast (②)					Amount of change (②-①)		
	1Q	2Q	1st half	2nd half	Full year	1Q	2Q	1st half	2nd half	Full year	1st half	2nd half	Full year
Electric Wire and Cable Business	9,550	9,781	19,331	21,068	40,400	9,926	11,087	21,013	23,586	44,600	○1,682	○2,517	○4,199
Electronic Materials Business	4,249	5,043	9,292	7,955	17,247	4,228	4,034	8,263	8,636	16,900	× 1,029	○681	× 347
Other Businesses	485	509	994	1,248	2,243	582	562	1,144	1,355	2,500	○150	○106	○256
Adjustment (Note)	▲ 7	▲ 7	▲ 15	▲ 14	▲ 29	▲ 6	▲ 7	▲ 13	13	—	○1	○28	○29
Net Sales	14,276	15,327	29,604	30,257	59,861	14,732	15,677	30,409	33,590	64,000	○805	○3,332	○4,138
Electric Wire and Cable Business	191	215	407	343	750	▲ 166	186	20	579	600	× 387	○236	× 150
Electronic Materials Business	649	997	1,646	1,059	2,705	642	547	1,190	1,159	2,350	× 455	○99	× 355
Other Businesses	▲ 10	17	6	133	139	45	1	46	153	200	○40	○20	○60
Adjustment (Note)	▲ 181	▲ 173	▲ 355	▲ 355	▲ 710	▲ 194	▲ 170	▲ 365	▲ 384	▲ 750	× 9	× 29	× 39
Operating Income	648	1,056	1,704	1,181	2,885	327	564	892	1,507	2,400	× 812	○326	× 485
(Operating Profit Margin)	(4.5%)	(6.9%)	(5.8%)	(3.9%)	(4.8%)	(2.2%)	(3.6%)	(2.9%)	(4.5%)	(3.8%)			
Ordinary Income	716	1,114	1,830	1,283	3,114	437	637	1,074	1,525	2,600	× 756	○241	× 514
(Ordinary Profit Margin)	(5.0%)	(7.3%)	(6.2%)	(4.2%)	(5.2%)	(3.0%)	(4.1%)	(3.5%)	(4.5%)	(4.1%)			
Net Income	526	807	1,334	996	2,330	323	549	872	1,127	2,000	× 462	○131	× 330

2. Business Segment Information (vs. Previously announced forecast) (Millions of yen)

	FY2022 Previously announced forecast (③) *			Amount of change (②-③)		
	1st half	2nd half	Full year	1st half	2nd half	Full year
Electric Wire and Cable Business	21,800	24,400	46,200	× 786	× 813	× 1,600
Electronic Materials Business	9,400	9,500	18,900	× 1,136	× 863	× 2,000
Other Businesses	1,200	1,300	2,500	× 55	○55	—
Adjustment (Note)	—	—	—	× 13	○13	—
Net Sales	32,400	35,200	67,600	× 1,990	× 1,609	× 3,600
Electric Wire and Cable Business	0	750	750	○20	× 170	× 150
Electronic Materials Business	1,650	1,400	3,050	× 459	× 240	× 700
Other Businesses	50	150	200	× 3	○3	—
Adjustment (Note)	▲ 400	▲ 400	▲ 800	○34	○15	○50
Operating Income	1,300	1,900	3,200	× 407	× 392	× 800
(Operating Profit Margin)	(4.0%)	(5.4%)	(4.7%)			
Ordinary Income	1,400	1,950	3,350	× 325	× 424	× 750
(Ordinary Profit Margin)	(4.3%)	(5.5%)	(5.0%)			
Net Income	1,100	1,400	2,500	× 227	× 272	× 500

*Disclosed on July 27, 2022

(Note)

The adjustment is inter-segment eliminations and corporate expenses, which consist of general and administrative expenses and research expenses not attributable to reportable segments.

3. Consolidated Financial Statements
 【Comparison of Quarterly Consolidated Statements of Income】
 Six months ended September 30

	(A)		(B)		(Millions of yen)	
	Six months ended September 30, 2021 (From April 1, 2021 to September 30, 2021)		Six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)		Amount of change (B)-(A)	Percent change ((B)-(A))/(A)
Net sales	29,604	100.0%	30,409	100.0%	805	2.7%
Cost of sales	23,104	78.0%	24,694	81.2%	1,589	6.9%
Gross income	6,499	22.0%	5,714	18.8%	△784	-12.1%
Selling, general and administrative expenses	4,795	16.2%	4,822	15.9%	27	0.6%
Operating income	1,704	5.8%	892	2.9%	△812	-47.6%
Non-operating income						
Interest income	9		8		△0	
Dividend income	10		12		1	
Foreign exchange gains	54		142		88	
Subsidy income	29		0		△28	
Other	29		26		△3	
Total non-operating income	133	0.5%	191	0.6%	57	43.2%
Non-operating expenses						
Interest expenses	2		3		0	
Other	4		5		1	
Total non-operating expenses	7	0.0%	9	0.0%	1	26.8%
Ordinary income	1,830	6.2%	1,074	3.5%	△756	-41.3%
Extraordinary income						
Compensation for transfer	-		101		101	
Gain on sale of investment securities	-		0		0	
Gain on sale of non-current assets	3		0		△3	
Total extraordinary income	3	0.0%	102	0.3%	99	3049.1%
Extraordinary losses						
Loss on sale of non-current assets	-		0		0	
Loss on abandonment of non-current assets	10		20		10	
Total extraordinary losses	10	0.0%	20	0.1%	10	104.8%
Income before income taxes	1,824	6.2%	1,156	3.8%	△667	-36.6%
Income taxes - current	524		342		△182	
Income taxes - deferred	△35		△58		△23	
Total income taxes	489	1.7%	284	0.9%	△205	-42.0%
Income	1,334		872		△462	
Income attributable to owners of parent	1,334	4.5%	872	2.9%	△462	-34.6%

【Comparison of Quarterly Consolidated Balance Sheets】

	(A)		(B)		(Millions of yen)		(A)		(B)		(Millions of yen)
	As of March 31, 2022		As of September 30, 2022		Amount of change(B)-(A)		As of March 31, 2022		As of September 30, 2022		Amount of change(B)-(A)
Assets						Liabilities					
Current assets						Current liabilities					
Cash and deposits	1,389		1,448		59	Notes and accounts payable - trade	3,883		4,169		286
Notes and accounts receivable - trade	19,419		19,678		259	Accounts payable - other	815		815		△0
Inventories	11,954		12,101		146	Accrued expenses	1,518		1,532		13
Short-term loans receivable	5,686		6,002		316	Income taxes payable	456		398		△58
Other	1,235		373		△862	Other	1,446		1,220		△226
Allowance for doubtful accounts	△13		△12		0	Total current liabilities	8,121	13.8%	8,135	13.9%	14
Total current assets	39,671	67.6%	39,592	67.4%	△79	Non-current liabilities					
Non-current assets						Long-term borrowings	900		900		-
Property, plant and equipment						Retirement benefit liability	1,302		1,357		54
Buildings and structures, net	8,305		8,393		88	Asset retirement obligations	68		64		△3
Machinery, equipment and vehicles, net	3,259		3,085		△174	Deferred tax liabilities	1		1		0
Tools, furniture and fixtures, net	417		388		△29	Other	91		127		36
Land	3,721		3,721		-	Total non-current liabilities	2,363	4.0%	2,451	4.2%	88
Construction in progress	522		585		63	Total liabilities	10,484	17.9%	10,587	18.0%	102
Total property, plant and equipment	16,225	27.7%	16,173	27.6%	△51	Net assets					
Intangible assets						Shareholders' equity					
Software	146		147		0	Share capital	6,676		6,676		-
Software in progress	9		7		△1	Capital surplus	4,516		4,516		-
Right to use facilities	5		4		△1	Retained earnings	38,936		39,252		316
Other	4		2		△1	Treasury shares	△2,458		△2,459		△0
Total intangible assets	165	0.3%	161	0.3%	△3	Total shareholders' equity	47,670	81.3%	47,986	81.7%	316
Investments and other assets						Accumulated other comprehensive income					
Investment securities	1,082		1,278		196	Valuation difference on available-for-sale securities	216		233		16
Long-term prepaid expenses	2		0		△2	Deferred gains or losses on hedges	232		△197		△430
Deferred tax assets	1,030		1,268		237	Foreign currency translation adjustment	△63		△28		35
Other	659		405		△253	Remeasurements of defined benefit plans	113		123		9
Allowance for doubtful accounts	△181		△175		6	Total accumulated other comprehensive income	499	0.9%	130	0.2%	△368
Total investments and other assets	2,591	4.4%	2,776	4.7%	184	Total net assets	48,169	82.1%	48,117	82.0%	△52
Total non-current assets	18,982	32.4%	19,112	32.6%	129	Total liabilities and net assets	58,654	100.0%	58,704	100.0%	50
Total assets	58,654	100.0%	58,704	100.0%	50						

4. Capital expenditure, Depreciation, and other for the Six Months Ended September 30,2022

(Millions of yen)

	FY2021			FY2022		
	1st half	2nd half	Full year	1st half	2nd half	Full year
Electric Wire and Cable Business	419	563	982	564	606	1,170
Electronic Materials Business	616	785	1,401	303	937	1,240
Other Businesses	48	43	91	30	110	140
Corporate	77	38	115	13	447	460
Capital expenditure	1,161	1,429	2,590	911	2,099	3,010
Electric Wire and Cable Business	413	455	868	403	477	880
Electronic Materials Business	371	415	786	394	476	870
Other Businesses	56	85	141	80	90	170
Corporate	88	95	183	85	95	180
Depreciation	930	1,050	1,980	965	1,135	2,100
R&D						
R&D expenses	710	640	1,350	641	739	1,380
R&D expenses as a percentage of net sales	2.4%	2.1%	2.3%	2.1%	2.2%	2.2%

Major Items of capital investment

FY 2021

- Investment to strengthen the business foundation and rationalize production of electric wire business
- R&D investment for functional film
- Maintenance business environment of Kyoto works

FY2022 Plan

- Investment to strengthen the business foundation and rationalize production of electric wire business
- Maintenance at each location of electric wire business
- R&D investment for functional film
- Investment to pursue carbon neutrality of electronic materials business
- Maintenance at each location of electronic materials business
- Investment to startups and related business development, etc.

5. Trends in the number of employees

	FY2020 (As of March 31, 2021)	FY2021 (As of September 30, 2021)	FY2021 (As of March 31, 2022)	FY2022 (As of September 30, 2022)	FY2022 Forecast (As of March 31, 2023)
Electric Wire and Cable Business	578	584	580	579	600
Electronic Materials Business	221	234	241	257	270
Other Businesses	97	104	105	115	120
Corporate	81	84	85	91	90
Number of employees	977	1,006	1,011	1,042	1,080

Human Resource Plan

(Main change factors from March 31,2022 to March 31,2023)

- Electric Wire and Cable Business : productive capability enhancement, etc.
- Electronic Materials Business : Functional films business foundation enhancement, etc.
- Corporate: management system enhancement, etc.

Note:

Figures indicate number of employees including those seconded from outside the group and excluding those seconded to outside the group. Part-time and temporary employees are also excluded.