



August 7, 2023

**Summary of Consolidated Financial Results for the First Quarter
of Fiscal Year Ending March 31, 2024
(Three Months Ended June 30, 2023)**

[Japanese GAAP]

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Listing: Tokyo Stock Exchange
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Scheduled date of filing of Quarterly Report: August 10, 2023
 Scheduled commencement date of payment of dividends: -
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

Note: The original disclosure in Japanese was released on August 7, 2023 at 12:30 (GMT +9).

(All amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2024
(April 1, 2023 – June 30, 2023)**

(1) Consolidated results of operations (cumulative) (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2023	42,370	(9.5)	1,595	(59.4)	1,530	(64.0)	858	(68.4)
Three months ended Jun. 30, 2022	46,837	26.8	3,931	29.0	4,251	21.9	2,718	11.6

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2023: 1,872 (down 50.9%)
 Three months ended Jun. 30, 2022: 3,811 (up 7.1%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2023	28.53	-
Three months ended Jun. 30, 2022	90.41	-

Note: Diluted net income per share is not stated because dilutive shares do not exist.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jun. 30, 2023	199,258	64,068	31.9
As of Mar. 31, 2023	191,890	63,047	32.6

Reference: Shareholders' equity (million yen) As of June 30, 2023: 63,482 As of Mar. 31, 2023: 62,476

2. Dividends

	Annual dividends				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2023	-	26.00	-	28.00	54.00
Fiscal year ending Mar. 31, 2024	-	-	-	-	-
Fiscal year ending Mar. 31, 2024 (forecast)	-	27.00	-	27.00	54.00

Note: Revisions to the most-recently announced dividend forecast: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)
 (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	186,000	4.3	8,400	0.1	8,200	0.3	5,500	0.2	182.68

Note: Revisions to the most-recently announced earnings forecasts: None

For the earnings forecasts, please also refer to the supplementary materials for quarterly financial results released today.

* Notes

(1) Changes in important subsidiaries during the consolidated cumulative first quarter (changes in specified subsidiaries causing a change in the scope of consolidation): None

Newly added: -

Excluded: -

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

Note: For the details, please refer to “1. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements (Application of Special Accounting Methods for Preparing Quarterly Consolidated Financial Statements)” on page 6 of the attachments.

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, etc.: None

2) Changes in accounting policies other than item 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of issued shares (common stock)

1) Number of issued shares at the end of period (including treasury shares)

As of Jun. 30, 2023:	31,012,500 shares	As of Mar. 31, 2023:	31,012,500 shares
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2) Number of treasury shares at the end of period

As of Jun. 30, 2023:	905,007 shares	As of Mar. 31, 2023:	907,207 shares
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3) Average number of shares during the period (cumulative for the quarter)

Three months ended Jun. 30, 2023:	30,105,535 shares	Three months ended Jun. 30, 2022:	30,069,931 shares
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Note: ALCONIX has a Board Benefit Trust for the distribution of stock to eligible individuals. Shares of ALCONIX remaining in this trust recorded as treasury shares in shareholders' equity are included in the treasury shares that will be deducted when calculating the average number of shares during the period that was used to calculate net income per share and diluted net income per share.

* A summary of consolidated financial results is not subject to quarterly review by certified public accountants or auditing firms.

* Explanation regarding appropriate use of earnings forecasts, and other special items

Note with respect to forward-looking statements

Forecasts of future performance in these materials are based on the information currently available to ALCONIX and certain assumptions that ALCONIX determines to be reasonable, and are not intended to be a promise by ALCONIX that such forecasts will be achieved. Actual results may vary significantly due to various factors. For assumptions underlying the forecasts and cautionary notes regarding the use of the forecasts, please also refer to the supplementary materials for quarterly financial results released today.

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1. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

	(Million yen)	
	FY3/23 (As of Mar. 31, 2023)	First quarter of FY3/24 (As of Jun. 30, 2023)
Assets		
Current assets		
Cash and deposits	26,993	29,901
Notes and accounts receivable-trade	62,483	65,291
Merchandise and finished goods	41,050	41,960
Work in process	4,070	4,704
Raw materials and supplies	4,282	4,134
Other	6,137	6,305
Allowance for doubtful accounts	(804)	(784)
Total current assets	144,212	151,513
Non-current assets		
Property, plant and equipment	31,993	31,691
Intangible assets		
Goodwill	1,357	1,273
Other	2,395	2,304
Total intangible assets	3,753	3,578
Investments and other assets	11,931	12,474
Total non-current assets	47,677	47,744
Total assets	191,890	199,258
Liabilities		
Current liabilities		
Notes and accounts payable-trade	40,910	43,520
Short-term borrowings	38,766	43,920
Commercial papers	6,997	6,997
Current portion of long-term borrowings	5,081	5,111
Current portion of bonds payable	75	-
Income taxes payable	1,635	1,111
Provision for bonuses	1,265	1,417
Other	5,615	5,365
Total current liabilities	100,348	107,445
Non-current liabilities		
Bonds payable	250	250
Long-term borrowings	20,654	19,676
Provision for retirement benefits for directors (and other officers)	293	283
Provision for share-based remuneration for directors (and other officers)	184	169
Retirement benefit liability	1,083	1,085
Long-term accounts payable-other	1,607	1,603
Other	4,420	4,677
Total non-current liabilities	28,494	27,744
Total liabilities	128,843	135,189

	(Million yen)	
	FY3/23 (As of Mar. 31, 2023)	First quarter of FY3/24 (As of Jun. 30, 2023)
Net assets		
Shareholders' equity		
Share capital	5,810	5,810
Capital surplus	5,273	5,273
Retained earnings	44,398	44,410
Treasury shares	(1,157)	(1,154)
Total shareholders' equity	54,325	54,340
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,135	2,796
Deferred gains or losses on hedges	(20)	1
Foreign currency translation adjustment	6,035	6,343
Total accumulated other comprehensive income	8,150	9,142
Share acquisition rights	48	46
Non-controlling interests	523	539
Total net assets	63,047	64,068
Total liabilities and net assets	191,890	199,258

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income
(For the Consolidated Cumulative First Quarter)**

(Million yen)

	First three months of FY3/23 (Apr. 1, 2022 – Jun. 30, 2022)	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)
Net sales	46,837	42,370
Cost of sales	39,247	36,621
Gross profit	7,590	5,748
Selling, general and administrative expenses	3,659	4,153
Operating profit	3,931	1,595
Non-operating income		
Interest income	11	27
Dividend income	283	240
Foreign exchange gains	7	-
Gain on valuation of derivatives	138	95
Other	98	79
Total non-operating income	540	442
Non-operating expenses		
Interest expenses	158	300
Foreign exchange losses	-	143
Other	61	63
Total non-operating expenses	219	507
Ordinary profit	4,251	1,530
Extraordinary income		
Gain on sales of non-current assets	3	1
Gain on bargain purchase	184	-
Gain on sales of investment securities	-	78
Subsidy income	3	29
Other	9	3
Total extraordinary income	200	112
Extraordinary losses		
Loss on sales of non-current assets	1	0
Loss on retirement of non-current assets	1	2
Loss on valuation of investment securities	-	3
Other	-	0
Total extraordinary losses	3	7
Profit before income taxes	4,449	1,636
Income taxes	1,676	769
Profit	2,772	866
Profit attributable to non-controlling interests	54	7
Profit attributable to owners of parent	2,718	858

Quarterly Consolidated Statement of Comprehensive Income
(For the Consolidated Cumulative First Quarter)

(Million yen)

	First three months of FY3/23 (Apr. 1, 2022 – Jun. 30, 2022)	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)
Profit	2,772	866
Other comprehensive income		
Valuation difference on available-for-sale securities	(439)	660
Deferred gains or losses on hedges	(126)	21
Foreign currency translation adjustment	1,572	322
Share of other comprehensive income of entities accounted for using equity method	31	-
Total other comprehensive income	1,038	1,005
Comprehensive income	3,811	1,872
Comprehensive income attributable to		
Shareholders of parent	3,735	1,850
Non-controlling interests	75	21

(3) Notes to Quarterly Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Application of Special Accounting Methods for Preparing Quarterly Consolidated Financial Statements

Calculation of tax expense

The tax expenses were calculated by first reasonably estimating the effective tax rate after the application of tax effect accounting with respect to profit before income taxes during the consolidated fiscal year including this consolidated first quarter, and multiplying that rate by the quarterly profit (loss) before income taxes.

Income taxes-deferred are included in and displayed with income taxes.

This summary of financial results is a translation of the Company's Kessan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. ALCONIX CORPORATION assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.