

Translation

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Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

October 31, 2024

Company name: EIZO Corporation
 Stock exchange listing: Tokyo
 Stock code: 6737 URL <https://www.eizo.co.jp/>
 Representative: President & COO Masaki Ebisu
 Director, Executive Operating Officer, and
 Inquiries: Senior Manager, Accounting & Finance, & Manabu Arise TEL 076-275-4121
 Investor Relations
 Scheduled date to file Semi-annual Securities Report: November 11, 2024
 Scheduled date to commence dividend payments: November 29, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(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, 2024	36,817	(1.0)	830	(49.3)	1,070	(66.6)	709	(67.1)
Six months ended September 30, 2023	37,185	1.7	1,636	(26.0)	3,203	27.7	2,158	(31.0)

(Note) Comprehensive income For the six months ended September 30, 2024: ¥(281) million [- %]
 For the six months ended September 30, 2023: ¥6,571 million [- %]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	17.24		-	
Six months ended September 30, 2023	52.45		-	

(Note) On October 1, 2024, the Company conducted a 2-for-1 share split of its common shares. "Earnings per share" is calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	162,015	127,100	78.4	3,088.07
As of March 31, 2024	164,819	129,424	78.5	3,145.04

(Reference) Equity As of September 30, 2024: ¥127,100 million
 As of March 31, 2024: ¥129,424 million

(Note) On October 1, 2024, the Company conducted a 2-for-1 share split of its common shares. "Net assets per share" is calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	-	100.00	-	100.00	200.00
Year ending March 31, 2025	-	105.00	-	-	-
Year ending March 31, 2025 (Forecast)	-	-	-	52.50	-

(Note) Revisions to the forecast of cash dividends most recently announced: None

(Note) On October 1, 2024, the Company conducted a 2-for-1 share split of its common shares. For the fiscal year-end dividend per share for the fiscal year ending March 31, 2025 (forecast), the amount that takes into account the impact of the share split is shown, and for the total annual dividends, "-" is shown. Without taking into account the share split, the fiscal year-end dividend for the fiscal year ending March 31, 2025 (forecast) would be ¥105.00 and the annual dividends would be ¥210.00.

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	81,000	0.7	4,000	2.3	4,800	(24.1)	3,400	(37.7)	82.61

(Note) Revisions to the forecasts of consolidated financial results most recently announced: Yes

(Note) For the forecast of earnings per share for the fiscal year ending March 31, 2025, the amount that takes into account the share split described in the note in “2. Cash dividends” is shown. Without taking into account the share split, the forecast of earnings per share would be ¥165.22.

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual 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, 2024	43,962,320 shares	As of March 31, 2024	43,962,320 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	2,803,674 shares	As of March 31, 2024	2,810,508 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, 2024	41,154,575 shares	Six months ended September 30, 2023	41,147,809 shares
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(Note) On October 1, 2024, the Company conducted a 2-for-1 share split of its common shares. “Total number of issued shares at the end of the period,” “Number of treasury shares at the end of the period” and “Average number of shares outstanding during the period” are calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

*Review of the Japanese-language originals of the attached semi-annual consolidated financial statements by certified public accountants or an audit firm: None

*Proper use of earnings forecasts, and other special matters

(Notice concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. As such, they do not constitute the Company’s guarantee that such results would be achieved. Actual business and other results may differ substantially due to various factors.

(Explanatory material for financial results)

Explanatory material for financial results is disclosed through TDnet as well as posted on the Company’s website on October 31, 2024.

Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	16,418	18,800
Notes and accounts receivable - trade, and contract assets	19,110	15,923
Electronically recorded monetary claims - operating	2,112	1,586
Merchandise and finished goods	16,318	18,088
Work in process	2,100	2,272
Raw materials and supplies	25,116	19,921
Other	1,362	1,921
Allowance for doubtful accounts	(113)	(115)
Total current assets	82,425	78,398
Non-current assets		
Property, plant and equipment	22,685	24,000
Intangible assets	895	1,131
Investments and other assets		
Investment securities	57,937	57,539
Retirement benefit asset	72	61
Other	803	886
Total investments and other assets	58,813	58,486
Total non-current assets	82,394	83,617
Total assets	164,819	162,015
Liabilities		
Current liabilities		
Accounts payable - trade	3,600	4,417
Short-term borrowings	4,897	4,782
Income taxes payable	1,347	63
Provision for bonuses	1,689	1,278
Provision for product warranties	1,972	1,774
Other	5,499	6,541
Total current liabilities	19,006	18,859
Non-current liabilities		
Long-term borrowings	897	797
Provision for retirement benefits for directors (and other officers)	71	71
Provision for recycling	526	483
Retirement benefit liability	2,369	2,240
Other	12,523	12,463
Total non-current liabilities	16,388	16,056
Total liabilities	35,395	34,915

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	4,425	4,425
Capital surplus	4,320	4,326
Retained earnings	85,956	84,608
Treasury shares	(3,988)	(3,979)
Total shareholders' equity	90,714	89,381
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	32,916	32,656
Foreign currency translation adjustment	5,138	4,454
Remeasurements of defined benefit plans	655	607
Total accumulated other comprehensive income	38,709	37,719
Total net assets	129,424	127,100
Total liabilities and net assets	164,819	162,015

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, 2023	Six months ended September 30, 2024
Net sales	37,185	36,817
Cost of sales	24,894	24,847
Gross profit	12,291	11,969
Selling, general and administrative expenses	10,654	11,139
Operating profit	1,636	830
Non-operating income		
Interest income	7	8
Dividend income	583	617
Foreign exchange gains	866	–
Other	201	201
Total non-operating income	1,657	827
Non-operating expenses		
Interest expenses	43	149
Foreign exchange losses	–	386
Rental expenses on real estate	35	36
Other	12	14
Total non-operating expenses	91	587
Ordinary profit	3,203	1,070
Extraordinary losses		
Loss on retirement of non-current assets	16	–
Total extraordinary losses	16	–
Profit before income taxes	3,186	1,070
Income taxes - current	1,228	317
Income taxes - deferred	(199)	43
Total income taxes	1,028	360
Profit	2,158	709
Profit attributable to owners of parent	2,158	709

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	2,158	709
Other comprehensive income		
Valuation difference on available-for-sale securities	2,490	(259)
Foreign currency translation adjustment	2,004	(683)
Remeasurements of defined benefit plans, net of tax	(81)	(47)
Total other comprehensive income	4,413	(990)
Comprehensive income	6,571	(281)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,571	(281)
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	3,186	1,070
Depreciation	1,280	1,359
Increase (decrease) in provisions	(325)	(632)
Net changes in asset and liability for retirement benefits	(125)	(172)
Interest expenses	43	149
Decrease (increase) in trade receivables	4,705	3,527
Decrease (increase) in inventories	(1,308)	2,646
Increase (decrease) in trade payables	(3,319)	1,045
Other, net	(1,955)	(1,968)
Subtotal	2,182	7,025
Interest and dividends received	597	624
Interest paid	(51)	(147)
Income taxes paid	(1,258)	(1,709)
Net cash provided by (used in) operating activities	1,470	5,792
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,129)	(1,016)
Purchase of short-term and long-term investment securities	(301)	(1)
Proceeds from sale and redemption of short-term and long-term investment securities	49	29
Other, net	(22)	(16)
Net cash provided by (used in) investing activities	(2,403)	(1,005)
Cash flows from financing activities		
Proceeds from short-term borrowings	6,500	–
Repayments of long-term borrowings	(76)	(83)
Repayments of lease liabilities	(158)	(151)
Dividends paid	(1,337)	(2,056)
Net cash provided by (used in) financing activities	4,927	(2,291)
Effect of exchange rate change on cash and cash equivalents	494	(112)
Net increase (decrease) in cash and cash equivalents	4,488	2,382
Cash and cash equivalents at beginning of period	9,557	16,418
Cash and cash equivalents at end of period	14,046	18,800