

**Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2023**  
**(Nine Months Ended December 31, 2022)**

[Japanese GAAP]

Company name: **C. Uyemura & Co., Ltd.** Listing: Tokyo Stock Exchange  
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 Scheduled date of filing of Quarterly Report: February 10, 2023  
 Starting date of dividend payment: –  
 Preparation of supplementary materials for quarterly financial results: None  
 Holding of quarterly financial results meeting: None

Note: The original disclosure in Japanese was released on February 10, 2023 at 15:30 (GMT +9).

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

**1. Consolidated Financial Results (April 1, 2022 – December 31, 2022)**

(1) Results of operations (Percentages represent year-over-year changes.)

	Sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended Dec. 31, 2022	64,938	25.8	11,708	15.3	12,423	17.7	8,893	21.8
Nine months ended Dec. 31, 2021	51,641	27.6	10,154	55.5	10,555	55.5	7,302	48.5

Note: Comprehensive income (million yen) Nine months ended Dec. 31, 2022: 13,507 (up 47.4%)  
 Nine months ended Dec. 31, 2021: 9,163 (up 105.5%)

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Nine months ended Dec. 31, 2022	536.01	–
Nine months ended Dec. 31, 2021	421.57	–

Note: The Company conducted a 2-for-1 common stock split effective on July 1, 2021. Net income per share has been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2022	109,280	84,994	77.8	5,163.63
As of Mar. 31, 2022	101,189	78,712	77.8	4,567.35

Reference: Shareholders' equity (million yen) As of Dec. 31, 2022: 84,994 As of Mar. 31, 2022: 78,712

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2022	–	0.00	–	130.00	130.00
Fiscal year ending Mar. 31, 2023	–	0.00	–	–	–
Fiscal year ending Mar. 31, 2023 (forecast)	–	–	–	180.00	180.00

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

**3. Consolidated Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 – March 31, 2023)**

(Percentages represent year-over-year changes.)

	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	82,000	13.4	14,000	0.4	14,600	(0.0)	10,900	12.6	658.25

Note: Revisions to the most recently announced consolidated forecast: None

**\*Notes**

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: –

Excluded: –

(2) Application of the specific method for accounting treatment for preparation of quarterly consolidated financial statements: None

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

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

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

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of shares outstanding (common shares)

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

As of Dec. 31, 2022:	19,756,080 shares	As of Mar. 31, 2022:	19,756,080 shares
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2) Number of treasury shares at the end of the period

As of Dec. 31, 2022:	3,295,934 shares	As of Mar. 31, 2022:	2,522,368 shares
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3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2022:	16,591,974 shares	Nine months ended Dec. 31, 2021:	17,323,312 shares
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Note: The Company conducted a 2-for-1 common stock split effective on July 1, 2021. The average number of shares outstanding during the period has been calculated as if this stock split had taken place at the beginning of the previous fiscal year.

**\* The quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.**

**\*Cautionary statement with respect to forward-looking statements and other special items**

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company, but are not promises by the Company regarding future performance. Actual results are affected by various factors and may differ substantially. For discussion of the assumptions and notes of caution for usage, please refer to “1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements” on page 3 of the attachments.

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## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

For the first nine months of the fiscal year ending on March 31, 2023 (hereinafter “the period under review”), despite the progress being made in balancing infection controls against COVID-19 and economic activities, the outlook for the Japanese economy remains uncertain. This is due to the soaring resource and raw material prices caused by the prolonged situation in Ukraine as well as the restrictions on supplies resulting from the impacts of the zero-COVID policy, which was enforced until recently in China. In addition, the Japanese economy also suffered from the rapid changes in exchange rates and other factors.

In the electronic device market, which is the Uyemura Group’s main market area, the demand of our products for automobiles remained firm backed by the recovery of production volume and widespread availability of electric vehicles. However, the demand of those for semiconductors and electronic components used for smartphones, PCs, and data centers slowed down.

In this environment, the Group has focused on the development of high value-added products, and proposal and sales activities for these products to make the operations more profitable.

As a result, consolidated net sales for the period under review were 64,938 million yen (up 25.8% year-over-year), operating profit 11,708 million yen (up 15.3%), ordinary profit 12,423 million yen (up 17.7%), and profit attributable to owners of parent 8,893 million yen (up 21.8%).

The results of operations by business segment are shown as below.

#### 1) Surface finishing materials business

Both segment sales and profit of the mainstay plating chemicals for package PWBs saw a year-over-year increase benefited also by the weaker yen in the foreign exchange market. This was achieved despite the inventory adjustments made for some semiconductors after the last year’s summer season.

Consequently, net sales in the surface finishing materials business increased 24.1% year-over-year to 53,723 million yen and segment profit increased 18.7% year-over-year to 11,143 million yen.

#### 2) Surface finishing machinery business

Both segment sales and profit of the surface finishing machinery business saw a year-over-year increase as the demands for the machinery for semiconductors and electronic components remained firm especially in the Japan, Taiwan, and East China.

Consequently, net sales in the surface finishing machinery business increased 58.2% year-over-year to 6,883 million yen and segment profit increased 36.3% year-over-year to 476 million yen.

#### 3) Plating job business

Net sales for plating job business increased year-over-year. Plating job business for PWBs in Taiwan continued to show strong performance. The plating job business for automobile industry in Thailand and Indonesia has not fully recovered yet due to impacts of the zero-COVID policy in China. Nevertheless, it emerged from the significant decline resulting from the impacts of COVID-19 pandemic in the previous period. On the profit front, there was an impact of the soaring raw material prices such as non-ferrous metals.

Consequently, net sales in the plating job business increased 9.6% year-over-year to 3,695 million yen but segment loss was 316 million yen (compared with segment profit of 22 million yen in the same period of the previous fiscal year).

#### 4) Real estate rental business

The occupancy rate of properties owned by the Company remained strong including office buildings for rent in Shin-Osaka.

Consequently, net sales in the real estate rental business increased 0.8% year-over-year to 633 million yen and segment profit increased 2.3% year-over-year to 392 million yen.

It is noted that sales of the segments above include intersegment sales and transfers.

## **(2) Explanation of Financial Position**

Total assets at the end of the period under review increased 8,091 million yen from the end of the previous fiscal year to 109,280 million yen. This was primarily attributable to a 3,140 million yen increase in cash and deposits, a 2,934 million yen increase in notes and accounts receivable-trade and contract assets, a 656 million yen increase in construction in progress, a 339 million yen increase in raw materials and supplies, and a 292 million yen increase in merchandise and finished goods, which were partially offset by a 575 million yen decrease in investment securities.

Total liabilities increased 1,809 million yen from the end of the previous fiscal year to 24,286 million yen. This was primarily attributable to an 870 million yen increase in electronically recorded obligations-operating, a 795 million yen increase in deferred tax liabilities, and a 725 million yen increase in contract liabilities, which were partially offset by an 852 million yen decrease in income taxes payable.

Total net assets increased 6,281 million yen from the end of the previous fiscal year to 84,994 million yen. This was primarily attributable to a 6,653 million yen increase in retained earnings and a 4,964 million yen increase in foreign currency translation adjustment, which were partially offset by a 4,985 million yen increase in treasury shares.

As a result, the equity ratio remained the same as the end of the previous fiscal year at 77.8%.

## **(3) Explanation of Consolidated Forecast and Other Forward-looking Statements**

We have maintained the full-year consolidated forecasts that we announced in the “Notice Regarding the Differences between Consolidated Financial Forecasts and Actual Results for the First Half, and Revisions of Consolidated Financial Forecasts for FY2023” on November 11, 2022.

Actual results may differ from these forecasts due to various factors in the future.

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

	(Thousands of yen)	
	FY3/2022 (As of Mar. 31, 2022)	Third quarter of FY3/2023 (As of Dec. 31, 2022)
Assets		
Current assets		
Cash and deposits	31,052,681	34,193,327
Notes and accounts receivable-trade, and contract assets	21,291,971	24,226,274
Securities	51,629	47,094
Merchandise and finished goods	4,462,996	4,755,775
Work in process	2,740,296	2,802,344
Raw materials and supplies	3,752,141	4,091,875
Other	2,763,683	3,699,131
Allowance for doubtful accounts	(118,500)	(162,892)
Total current assets	65,996,900	73,652,931
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,200,066	24,255,972
Accumulated depreciation	(14,565,835)	(15,668,142)
Buildings and structures, net	8,634,230	8,587,829
Machinery, equipment and vehicles	12,386,592	13,700,629
Accumulated depreciation	(10,089,611)	(11,245,832)
Machinery, equipment and vehicles, net	2,296,981	2,454,796
Land	6,100,030	5,977,103
Leased assets	632,136	680,702
Accumulated depreciation	(172,631)	(237,506)
Leased assets, net	459,504	443,195
Construction in progress	80,488	736,538
Other	5,906,725	6,558,708
Accumulated depreciation	(4,795,595)	(5,315,178)
Other, net	1,111,130	1,243,529
Total property, plant and equipment	18,682,365	19,442,993
Intangible assets	332,714	358,100
Investments and other assets		
Investment securities	14,786,928	14,211,268
Retirement benefit asset	187,004	179,893
Deferred tax assets	572,463	737,351
Other	705,357	778,373
Allowance for doubtful accounts	(74,571)	(80,656)
Total investments and other assets	16,177,182	15,826,230
Total non-current assets	35,192,261	35,627,324
Total assets	101,189,162	109,280,255

	(Thousands of yen)	
	FY3/2022 (As of Mar. 31, 2022)	Third quarter of FY3/2023 (As of Dec. 31, 2022)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	4,113,405	4,347,360
Electronically recorded obligations-operating	4,233,185	5,103,582
Short-term borrowings	457,789	472,423
Lease liabilities	198,163	225,566
Income taxes payable	2,680,544	1,828,169
Contract liabilities	3,255,950	3,981,074
Provision for bonuses	170,901	59,368
Provision for bonuses for directors (and other officers)	213,050	159,787
Other	2,146,079	2,061,183
<b>Total current liabilities</b>	<b>17,469,070</b>	<b>18,238,516</b>
<b>Non-current liabilities</b>		
Long-term guarantee deposits	680,334	681,397
Lease liabilities	460,663	453,878
Deferred tax liabilities	2,142,944	2,938,188
Retirement benefit liability	1,111,771	1,291,502
Long-term accounts payable-other	255,664	255,664
Other	356,401	426,947
<b>Total non-current liabilities</b>	<b>5,007,780</b>	<b>6,047,578</b>
<b>Total liabilities</b>	<b>22,476,850</b>	<b>24,286,095</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,336,936	1,336,936
Capital surplus	1,276,650	1,277,506
Retained earnings	76,245,125	82,898,158
Treasury shares	(6,515,214)	(11,501,205)
<b>Total shareholders' equity</b>	<b>72,343,497</b>	<b>74,011,395</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	707,807	359,179
Foreign currency translation adjustment	5,610,272	10,574,747
Remeasurements of defined benefit plans	50,733	48,837
<b>Total accumulated other comprehensive income</b>	<b>6,368,814</b>	<b>10,982,764</b>
<b>Total net assets</b>	<b>78,712,311</b>	<b>84,994,160</b>
<b>Total liabilities and net assets</b>	<b>101,189,162</b>	<b>109,280,255</b>

**(2) Consolidated Statements of Income and Comprehensive Income****(For the Nine-month Period)**

(Thousands of yen)

	First nine months of FY3/2022 (Apr. 1, 2021 – Dec. 31, 2021)	First nine months of FY3/2023 (Apr. 1, 2022 – Dec. 31, 2022)
Net sales	51,641,086	64,938,905
Cost of sales	33,651,339	44,285,475
Gross profit	17,989,746	20,653,430
Selling, general and administrative expenses	7,835,069	8,944,954
Operating profit	10,154,677	11,708,475
Non-operating income		
Interest income	97,163	133,292
Dividend income	56,509	64,111
Valuable resource recovered income	42,193	53,999
Foreign exchange gains	96,400	385,042
Subsidy income	64,189	74,308
Technical advisory fee income	16,232	11,393
Other	72,265	61,318
Total non-operating income	444,953	783,466
Non-operating expenses		
Interest expenses	12,766	11,394
Commission expenses	12,639	27,314
Commission for purchase of treasury shares	5,920	12,130
Loss on disposal of inventories	6,128	1,739
Other	6,677	15,549
Total non-operating expenses	44,132	68,128
Ordinary profit	10,555,498	12,423,813
Extraordinary income		
Gain on sale of non-current assets	21,555	655,874
Gain on redemption of investment securities	–	65,492
Total extraordinary income	21,555	721,367
Extraordinary losses		
Loss on sale and retirement of non-current assets	20,464	7,289
Total extraordinary losses	20,464	7,289
Profit before income taxes	10,556,589	13,137,892
Income taxes-current	2,876,153	3,416,822
Income taxes-deferred	377,497	827,653
Total income taxes	3,253,650	4,244,475
Profit	7,302,939	8,893,416
Profit attributable to:		
Profit attributable to owners of parent	7,302,939	8,893,416
Other comprehensive income		
Valuation difference on available-for-sale securities	33,828	(348,628)
Foreign currency translation adjustment	1,829,254	4,964,475
Remeasurements of defined benefit plans, net of tax	(2,105)	(1,896)
Total other comprehensive income	1,860,977	4,613,950
Comprehensive income	9,163,916	13,507,366
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	9,163,916	13,507,366



**(3) Notes to Quarterly Consolidated Financial Statements****Going Concern Assumption**

Not applicable.

**Significant Changes in Shareholders' Equity**

Following the resolution approved by its Board of Directors meeting held on March 10, 2022, and also the partial changes resolved by its Board of Directors meeting held on May 13, 2022, the Company acquired 777,500 shares of its treasury shares. In addition, the number of treasury shares decreased by 4,022 shares due to disposal of treasury shares as restricted stock compensation which was implemented on August 5, 2022. Primarily from these events, treasury shares increased 4,985,991 thousand yen during the period under review to 11,501,205 thousand yen as of the end of the period under review.

**Segment and Other Information****Segment Information**

I. First nine months of FY3/2022 (Apr. 1, 2021 – Dec. 31, 2021)

1. Information related to sales and profit or loss for each reportable segment and on breakdown of revenues

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment	Amounts shown on consolidated statements of income/ comprehensive income (Note 2)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Subtotal				
Net sales									
Japan	14,605,579	3,203,813	–	–	17,809,392	12,738	17,822,130	–	17,822,130
Taiwan	11,746,257	342,083	797,973	–	12,886,314	–	12,886,314	–	12,886,314
China	8,698,948	546,444	–	–	9,245,393	–	9,245,393	–	9,245,393
South Korea	2,953,333	11,880	–	–	2,965,213	–	2,965,213	–	2,965,213
Singapore	1,849,493	222,733	–	–	2,072,226	–	2,072,226	–	2,072,226
Thailand	124,421	–	2,317,909	–	2,442,331	–	2,442,331	–	2,442,331
North America	3,298,489	24,654	–	–	3,323,143	–	3,323,143	–	3,323,143
Other	–	–	255,980	–	255,980	–	255,980	–	255,980
Revenue from contracts with customers	43,276,522	4,351,610	3,371,863	–	50,999,996	12,738	51,012,734	–	51,012,734
Other revenue	–	–	–	628,352	628,352	–	628,352	–	628,352
Sales to third parties	43,276,522	4,351,610	3,371,863	628,352	51,628,348	12,738	51,641,086	–	51,641,086
Intersegment sales and transfers	68	257	–	–	325	–	325	(325)	–
Total	43,276,590	4,351,867	3,371,863	628,352	51,628,673	12,738	51,641,411	(325)	51,641,086
Segment profit	9,389,169	349,130	22,084	383,073	10,143,459	11,218	10,154,677	–	10,154,677

Notes: 1. The “Other” business segment consists of activities that are not included in any of the four reportable segments, and its sales include royalty revenue.

2. Total segment profit is equal to operating profit shown on the quarterly consolidated statements of income and comprehensive income.

3. Net sales are broken down by reportable segment into the countries or regions where the Company and its consolidated subsidiaries are located.

## II. First nine months of FY3/2023 (Apr. 1, 2022 – Dec. 31, 2022)

## 1. Information related to sales and profit or loss for each reportable segment and on breakdown of revenues

(Thousands of yen)

	Reportable segment					Other (Note 1)	Total	Adjustment	Amounts shown on consolidated statements of income/ comprehensive income (Note 2)
	Surface Finishing Materials	Surface Finishing Machinery	Plating Job	Real Estate Rental	Subtotal				
Net sales									
Japan	18,038,005	2,805,257	–	–	20,843,262	15,297	20,858,560	–	20,858,560
Taiwan	14,050,858	2,133,783	715,818	–	16,900,460	–	16,900,460	–	16,900,460
China	10,696,971	1,560,593	–	–	12,257,564	–	12,257,564	–	12,257,564
South Korea	3,984,903	3,484	–	–	3,988,388	–	3,988,388	–	3,988,388
Singapore	2,563,710	306,891	–	–	2,870,602	–	2,870,602	–	2,870,602
Thailand	129,673	–	2,654,359	–	2,784,033	–	2,784,033	–	2,784,033
North America	4,258,309	61,639	–	–	4,319,948	–	4,319,948	–	4,319,948
Other	–	–	325,793	–	325,793	–	325,793	–	325,793
Revenue from contracts with customers	53,722,431	6,871,650	3,695,972	–	64,290,053	15,297	64,305,351	–	64,305,351
Other revenue	–	–	–	633,553	633,553	–	633,553	–	633,553
Sales to third parties	53,722,431	6,871,650	3,695,972	633,553	64,923,607	15,297	64,938,905	–	64,938,905
Intersegment sales and transfers	1,526	12,173	–	–	13,700	–	13,700	(13,700)	–
Total	53,723,957	6,883,824	3,695,972	633,553	64,937,308	15,297	64,952,605	(13,700)	64,938,905
Segment profit (loss)	11,143,521	476,022	(316,827)	392,036	11,694,752	13,723	11,708,475	–	11,708,475

- Notes: 1. The “Other” business segment consists of activities that are not included in any of the four reportable segments, and its sales include royalty revenues.
2. Total segment profit (loss) is equal to operating profit shown on the quarterly consolidated statements of income and comprehensive income.
3. Net sales are broken down by reportable segment into the countries or regions where the Company and its consolidated subsidiaries are located.

*Note: This report of consolidated financial results is solely a translation of summary of Japanese “Kessan Tanshin” (including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer English translation. All readers are recommended to refer to the original version in Japanese of the report for complete information.*