

Balance Sheets (Quarterly)

Resonac Holdings Corporation

(Unit : millions of yen)

	2022 Q3	2023 Q1	2023 Q2	2023 Q3
Assets				
Current assets				
Cash and deposits	194,010	170,876	176,786	225,353
Notes and accounts receivable - trade	288,421	231,774	251,918	261,670
Merchandise and finished goods	131,392	131,172	132,059	128,890
Work in process	34,208	27,892	27,537	27,235
Raw materials and supplies	105,229	93,729	89,446	92,422
Other	90,809	70,732	62,693	60,980
Allowance for doubtful accounts	(1,327)	(1,259)	(1,276)	(1,402)
Total current assets	842,742	724,916	739,164	795,150
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	141,266	145,347	154,790	155,243
Machinery, equipment and vehicles, net	222,569	213,949	219,473	219,846
Land	241,335	234,160	233,748	233,053
Other, net	94,094	86,250	85,346	88,987
Total property, plant and equipment	699,265	679,707	693,356	697,129
Intangible assets				
Goodwill	299,681	291,194	287,305	291,676
Other	201,874	196,291	192,336	188,298
Total intangible assets	501,554	487,485	479,641	479,974
Investments and other assets				
Investment securities	92,091	81,562	84,422	74,553
Other	64,426	53,348	49,563	53,242
Allowance for doubtful accounts	(622)	(693)	(746)	(1,152)
Total investments and other assets	155,895	134,217	133,239	126,643
Total non-current assets	1,356,715	1,301,408	1,306,237	1,303,746
Total assets	2,199,457	2,026,325	2,045,400	2,098,896
Liabilities				
Current liabilities				
Notes and accounts payable-trade	207,924	174,553	171,360	177,923
Short-term loans payable	71,618	58,737	57,836	57,112
Current portion of long-term loans payable	48,725	37,184	28,436	22,668
Current portion of bonds	-	-	10,000	10,000
Commercial papers	25,000	20,000	-	-
Provision	17,309	16,843	10,010	16,614
Other	124,521	113,122	120,899	137,383
Total current liabilities	495,097	420,439	398,542	421,700
Non-current liabilities				
Bonds payable	259,952	260,000	280,000	280,000
Long-term loans payable	687,278	662,460	663,325	665,725
Provision	1,992	2,611	2,904	3,415
Net defined benefit liability	18,016	9,823	9,861	9,138
Other	127,371	115,028	116,464	121,828
Total non-current liabilities	1,094,609	1,049,922	1,072,553	1,080,106
Total liabilities	1,589,706	1,470,361	1,471,095	1,501,806
Net assets				
Shareholders' equity				
Capital stock	182,146	182,146	182,146	182,146
Capital surplus	108,169	108,140	108,140	108,140
Retained earnings	167,192	142,163	133,969	147,424
Treasury stock	(11,611)	(11,613)	(11,591)	(11,592)
Total shareholders' equity	445,895	420,837	412,664	426,118

Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	1,751	134	228	151
Deferred gains or losses on hedges	(267)	(25)	(653)	(204)
Revaluation reserve for land	28,734	27,915	28,554	28,550
Foreign currency translation adjustment	99,405	77,792	103,866	112,676
Remeasurements of defined benefit plans	8,961	3,856	3,955	3,528
Total accumulated other comprehensive income	138,585	109,672	135,951	144,700
Non-controlling interests	25,270	25,455	25,690	26,272
Total net assets	609,751	555,964	574,306	597,090
Total liabilities and net assets	2,199,457	2,026,325	2,045,400	2,098,896

Note: Please refer to "Annual" data for 4Q results.

Statements of Income (Quarterly)

Resonac Holdings Corporation

(Unit : millions of yen)

	2022 Q3	2023 Q1	2023 Q2	2023 Q3
Net sales	1,034,152	298,919	616,126	942,307
Cost of sales	800,827	247,178	505,829	763,942
Gross profit	233,325	51,742	110,297	178,364
Selling, general and administrative expenses	179,790	60,949	123,462	182,674
Operating income(loss)	53,536	(9,208)	(13,165)	(4,309)
Non-operating income				
Interest income	671	345	827	1,227
Dividends income	749	71	197	404
Share of profit of entities accounted for using equity method	3,809	885	1,913	859
Foreign exchange gains	17,124	-	7,225	7,100
Miscellaneous income	4,635	2,169	3,134	4,677
Total non-operating income	26,987	3,470	13,296	14,266
Non-operating expenses				
Interest expenses	10,054	3,292	6,655	9,959
Miscellaneous expenses	6,344	1,879	4,832	7,148
Total non-operating expenses	16,398	5,171	11,487	17,107
Ordinary income (loss)	64,125	(10,909)	(11,357)	(7,150)
Extraordinary income				
Gain on sales of noncurrent assets	-	-	1,507	-
Gain on sales of investment securities	4,098	361	-	-
Gain on revision of retirement benefit plan	-	379	-	-
Gain on reversal of PCB treatment costs	-	347	-	-
Gain on transfer of business	-	-	-	24,319
Other	1,731	150	1,649	6,943
Total extraordinary income	5,829	1,237	3,156	31,262
Extraordinary losses				
Loss on sales and retirement of noncurrent assets	2,962	1,189	2,163	2,937
Impairment loss	4,801	2,908	2,994	4,092
Special retirement expenses	-	-	-	6,453
Loss on sale of businesses	3,504	-	-	-
Loss related to the Antimonopoly Act	6,082	-	-	-
Other	5,447	977	1,639	2,964
Total extraordinary losses	22,796	5,075	6,796	16,446
Profit (loss) before income taxes	47,157	(14,746)	(14,996)	7,666
Income taxes	4,657	(3,501)	3,669	12,812
Net income (loss)	42,500	(11,245)	(18,665)	(5,146)
Net income attributable to non-controlling interests	7,049	1,018	1,151	1,221
Net income (loss) attributable to owners of the parent	35,451	(12,263)	(19,817)	(6,367)

Consolidated Statements of Comprehensive Income				
Net income (loss)	42,500	(11,245)	(18,665)	(5,146)
Other comprehensive income				
Valuation difference on available-for-sale securities	(1,085)	(209)	(158)	(239)
Deferred gains or losses on hedges	(1,434)	(1,485)	(2,145)	(1,665)
Foreign currency translation adjustment	59,604	6,178	31,946	40,498
Remeasurements of defined benefit plans, net of tax	(75)	(124)	(24)	(452)
Share of other comprehensive income of entities accounted for using equity method	3,329	13	1,191	1,638
Total other comprehensive income	60,338	4,374	30,810	39,781
Comprehensive income	102,838	(6,871)	12,145	34,635
(Comprehensive income attributable to)				
Comprehensive income attributable to owners of the parent	98,067	(8,308)	9,776	31,980
Comprehensive income attributable to non-controlling interests	9,000	1,437	2,369	2,655

Note: Please refer to "Annual" data for 4Q results.

Statements of Cash Flows

Resonac Holdings Corporation

(Unit : millions of yen)

	2020 Q2	2021 Q2	2022 Q2	2023 Q2
Net cash provided by (used in) operating activities				
Income before income taxes and minority interests	(49,598)	(161)	44,066	(14,996)
Depreciation and amortization	19,429	49,495	45,544	45,776
Impairment loss	323	3,977	171	2,994
Amortization of goodwill	107	9,216	8,414	8,433
Increase (decrease) in net defined benefit liability	(1,535)	(844)	600	(107)
Interest and dividend income	(1,036)	(1,389)	(1,056)	(1,023)
Interest expenses	1,973	5,321	4,386	6,655
Financing expenses	16,075	-	-	-
Equity in (earnings) losses of affiliates	(436)	(2,957)	(2,288)	(1,913)
Loss (gain) on sales and valuation of investment securities	432	(996)	(1,890)	(31)
Loss on retirement of non-current assets	1,219	1,200	1,841	2,125
Loss (gain) on sales of non-current assets	(1,298)	(755)	(311)	(1,459)
Loss (gain) on sales of businesses	-	(8,124)	-	-
Business structuring expenses	5,278	32,767	-	-
Decrease (increase) in notes and accounts receivable - trade	37,799	(15,757)	3,123	23,821
Decrease (increase) in inventories	20,906	(30,280)	(37,579)	9,039
Increase (decrease) in notes and accounts payable - trade	(32,029)	25,709	437	(23,130)
Other, net	(1,105)	(8,852)	(24,446)	(4,258)
Subtotal	11,225	57,568	41,012	51,926
Interest and dividend income received	1,450	1,748	2,196	2,270
Interest expenses paid	(1,954)	(4,885)	(4,326)	(5,387)
Income taxes paid	(5,553)	870	(17,007)	(729)
Net cash provided by (used in) operating activities	5,169	55,301	21,874	48,080
Net cash provided by (used in) investing activities				
Payments into time deposits	(16)	(1,060)	(1,394)	(655)
Proceeds from withdrawal of time deposits	204	878	2,106	608
Purchase of property, plant and equipment	(25,958)	(33,530)	(49,051)	(43,778)
Proceeds from sales of property, plant and equipment	5,443	2,077	619	3,394
Purchase of investment securities	(14)	(2,440)	(500)	(57)
Proceeds from sales of investment securities	1,466	2,288	12,523	1,114
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(770,760)	-	-	-
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	-	13,156	-	-
Net decrease (increase) in short-term loans receivable	(1,149)	(880)	433	(66)
Payments of long-term loans receivable	(85)	(49)	(5)	(782)
Collection of long-term loans receivable	36	14,051	90	536
Other, net	(1,732)	(4,884)	(1,438)	(5,452)
Net cash provided by (used in) investing activities	(792,565)	(10,393)	(36,616)	(45,136)
Net cash provided by (used in) financing activities				
Net increase (decrease) in short-term loans payable	(5,556)	(1,431)	53,409	(14,868)
Net increase (decrease) in commercial papers	53,000	(10,000)	15,000	-
Proceeds from long-term loans payable	581,404	1,800	347,000	34,900
Repayments of long-term loans payable	(17,379)	(51,602)	(224,084)	(58,729)
Proceeds from issuance of bonds	-	-	112,536	29,843
Redemption of bonds	-	(15,000)	(20,000)	-
Proceeds from issuance of common stock	268,503	-	-	-

Purchase of treasury stock	(1)	(5)	(2)	(2)
Proceeds from sale of treasury shares	1	0	-	-
Cash dividends paid	(11,654)	(9,466)	(11,743)	(11,781)
Proceeds from stock issuance to non controlling shareholders	-	29,766	-	-
Cash dividends paid to non controlling shareholders	(1,079)	(9,349)	(12,940)	(1,200)
Purchase of investments in subsidiaries without change in scope of consolidation	-	(5,293)	(275,000)	-
Other, net	(2,498)	(3,065)	(2,390)	(1,655)
Net cash provided by (used in) financing activities	864,740	(73,646)	(18,214)	(23,491)
Effect of exchange rate change on cash and cash equivalents	(1,577)	9,093	20,200	9,954
Net increase (decrease) in cash and cash equivalents	75,767	(19,645)	(12,756)	(10,593)
Cash and cash equivalents at beginning of period	121,734	197,928	234,938	186,844
Increase in cash and cash equivalents from newly consolidated subsidiary	-	-	-	-
Cash and cash equivalents at end of period	197,501	178,282	222,183	176,251

Note: Statement of Cash Flows is updated every 2nd and 4th Quarter. Please refer to "Annual" data for 4Q result.