Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 29, 2024

Company name: ATSUGI CO., LTD.
Stock exchange listing: Tokyo
Stock code: 3529 URL https://www.atsugi.co.jp/
Representative: President Shinji Nikko
Inquiries: Director,Executive Officer, Administration division General manager Masahiro Furukawa TEL 046-235-8107
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: No
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 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	%
Three months ended June 30, 2024	4,497	(6.2)	(284)	–	(108)	–	22	–
Three months ended June 30, 2023	4,791	7.5	(430)	–	(128)	–	(149)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	1.40	–
Three months ended June 30, 2023	(9.33)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	42,931	34,084	79.4
As of March 31, 2024	42,014	33,441	79.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	0.00	–	0.00	0.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		0.00	–	0.00	0.00

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	24,000	13.2	500	–	600	–	1,600	20.1	99.86

4. Notes

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

(2) Application of special accounting methods for preparing quarterly 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 June 30, 2024	17,319,568 shares	As of March 31, 2024	17,319,568 shares

Number of treasury shares at the end of the period

As of June 30, 2024	1,299,912 shares	As of March 31, 2024	1,299,322 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	16,019,865 shares	Three months ended June 30, 2023	16,023,084 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	3,870	3,657
Notes and accounts receivable - trade	4,185	3,246
Merchandise and finished goods	5,010	5,992
Work in process	1,072	1,291
Raw materials and supplies	652	704
Other	2,220	2,772
Allowance for doubtful accounts	(26)	(28)
Total current assets	16,983	17,637
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,639	1,677
Machinery, equipment and vehicles, net	1,905	1,956
Land	11,982	11,982
Construction in progress	1,216	1,995
Other, net	72	70
Total property, plant and equipment	16,815	17,681
Intangible assets	1,669	1,736
Investments and other assets		
Investment securities	6,076	5,718
Deferred tax assets	25	33
Other	443	124
Total investments and other assets	6,544	5,876
Total non-current assets	25,030	25,294
Total assets	42,014	42,931

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,434	1,753
Current portion of long-term borrowings	470	470
Income taxes payable	135	51
Provision for bonuses	44	29
Other	2,020	2,186
Total current liabilities	4,104	4,491
Non-current liabilities		
Long-term borrowings	439	381
Deferred tax liabilities	1,578	1,554
Deferred tax liabilities for land revaluation	1,286	1,286
Retirement benefit liability	894	883
Other	270	249
Total non-current liabilities	4,468	4,355
Total liabilities	8,572	8,847
Net assets		
Shareholders' equity		
Share capital	20,000	20,000
Capital surplus	10,272	10,272
Retained earnings	(734)	(711)
Treasury shares	(1,468)	(1,468)
Total shareholders' equity	28,069	28,091
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,172	2,100
Deferred gains or losses on hedges	785	1,013
Revaluation reserve for land	388	388
Foreign currency translation adjustment	2,025	2,490
Total accumulated other comprehensive income	5,371	5,993
Total net assets	33,441	34,084
Total liabilities and net assets	42,014	42,931

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	4,791	4,497
Cost of sales	3,357	2,949
Gross profit	1,434	1,547
Selling, general and administrative expenses	1,865	1,832
Operating loss	(430)	(284)
Non-operating income		
Interest and dividend income	99	79
Foreign exchange gains	160	99
Other	50	6
Total non-operating income	311	185
Non-operating expenses		
Interest expenses	6	3
Taxes and dues	0	2
Other	1	2
Total non-operating expenses	9	8
Ordinary loss	(128)	(108)
Extraordinary income		
Gain on sale of investment securities	–	98
Total extraordinary income	–	98
Extraordinary losses		
Loss on retirement of non-current assets	1	1
Total extraordinary losses	1	1
Loss before income taxes	(130)	(11)
Income taxes - current	5	51
Income taxes - deferred	13	(85)
Total income taxes	19	(33)
Profit (loss)	(149)	22
Profit (loss) attributable to owners of parent	(149)	22

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	(149)	22
Other comprehensive income		
Valuation difference on available-for-sale securities	319	(71)
Deferred gains or losses on hedges	423	228
Foreign currency translation adjustment	190	464
Total other comprehensive income	932	621
Comprehensive income	783	643
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	783	643