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# Summary of Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 10, 2024

Company name: Achilles Corporation
Stock exchange listing: Tokyo
Code number: 5142
URL: https://www.achilles.jp
Representative: Ichiro Hikage President
Contact: Kazuaki Kouno Director
Phone: +81-3-5338-8238
Scheduled date of Annual General Meeting of Shareholders: June 27, 2024
Scheduled date of commencing dividend payments: June 28, 2024
Scheduled date of filing annual securities report: June 27, 2024
Availability of supplementary briefing material on annual financial results: Yes
Schedule of annual financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| March 31, 2024 | 78,607 | (5.2) | (958) | - | (171) | - | (8,210) | - |
| March 31, 2023 | 82,917 | 9.2 | (713) | - | (117) | - | (1,204) | - |

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ (4,865) million [ -%]
Fiscal year ended March 31, 2023: ¥ (169) million [ -%]

| | Basic earnings per share | Diluted earnings per share | Rate of return on equity | Ordinary profit to total assets ratio | Operating profit to net sales ratio |
|---|---|---|---|---|---|
| Fiscal year ended | Yen | Yen | % | % | % |
| March 31, 2024 | (560.30) | - | (19.1) | (0.2) | (1.2) |
| March 31, 2023 | (78.21) | - | (2.6) | (0.1) | (0.9) |

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ 208 million
Fiscal year ended March 31, 2023: ¥ 150 million

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| As of | Millions of yen | Millions of yen | % | Yen |
| March 31, 2024 | 82,662 | 39,549 | 47.8 | 2,764.61 |
| March 31, 2023 | 86,220 | 46,206 | 53.6 | 3,058.80 |

(Reference) Equity: As of March 31, 2024: ¥ 39,549 million
As of March 31, 2023: ¥ 46,206 million

(3) Consolidated Cash Flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at the end of period |
|---|---|---|---|---|
| Fiscal year ended | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| March 31, 2024 | 1,878 | (3,793) | 1,758 | 6,851 |
| March 31, 2023 | (1,072) | (4,484) | 4,547 | 6,886 |

2. Dividends

| | Annual dividends | | | | | Total dividends | Payout ratio (consolidated) | Dividends to net assets (consolidated) |
|---|---|---|---|---|---|---|---|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total | | | |
| Fiscal year ended | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| March 31, 2023 | - | 0.00 | - | 40.00 | 40.00 | 604 | - | 1.3 |
| March 31, 2024 | - | 0.00 | - | 20.00 | 20.00 | 286 | - | 0.7 |
| Fiscal year ending March 31, 2025 (Forecast) | - | 0.00 | - | 20.00 | 20.00 | | 95.4 | |

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|---|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2024 | 40,000 | 4.8 | (300) | - | (150) | - | 0 | (100.0) | 0.00 |
| Full year | 84,000 | 6.9 | 200 | - | 500 | - | 300 | - | 20.97 |

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No
4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2024: 15,362,714 shares
March 31, 2023: 15,362,714 shares

2) Number of treasury shares at the end of the period:

March 31, 2024: 1,056,951 shares
March 31, 2023: 256,655 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 14,654,257 shares
Fiscal Year ended March 31, 2023: 15,404,112 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | |
|---|---|---|---|---|---|---|---|---|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| March 31, 2024 | 60,992 | (7.1) | (1,301) | - | 908 | - | (6,905) | - |
| March 31, 2023 | 65,643 | 7.5 | (1,149) | - | (177) | - | (1,036) | - |

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Fiscal year ended | Yen | Yen |
| March 31, 2024 | (471.20) | - |
| March 31, 2023 | (67.28) | - |

(2) Non-consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio | Net assets per share |
|---|---|---|---|---|
| As of | Millions of yen | Millions of yen | % | Yen |
| March 31, 2024 | 65,825 | 26,668 | 40.5 | 1,864.20 |
| March 31, 2023 | 72,604 | 35,000 | 48.2 | 2,316.99 |

(Reference) Equity: As of March 31, 2024: ¥ 26,668 million
As of March 31, 2023: ¥ 35,000 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | | Basic earnings per share |
|---|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2024 | 31,000 | 6.0 | (150) | - | 250 | (66.8) | 550 | (46.6) | 38.45 |
| Full year | 65,500 | 7.4 | 350 | - | 950 | 4.6 | 1,000 | - | 69.90 |

* The consolidated financial results are not subject to audit procedures by certified public accountants or an auditing firm.

* Explanation relating to the appropriate use of forecasts of business results and other items of note

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable.

Actual results may differ from projections due to various factors.

# Consolidated Financial Statements

## Consolidated Balance Sheets

(Millions of yen)

| | As of March 31, 2023 | As of March 31, 2024 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 6,887 | 6,852 |
| Notes receivable - trade | 2,909 | 2,427 |
| Electronically recorded monetary claims - operating | 5,884 | 6,518 |
| Accounts receivable - trade | 14,909 | 13,457 |
| Merchandise and finished goods | 10,913 | 9,971 |
| Work in process | 1,915 | 2,085 |
| Raw materials and supplies | 3,954 | 4,266 |
| Other | 1,841 | 1,753 |
| Allowance for doubtful accounts | (34) | (52) |
| Total current assets | 49,181 | 47,279 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 11,685 | 9,981 |
| Machinery, equipment and vehicles, net | 7,092 | 5,631 |
| Land | 4,166 | 4,168 |
| Construction in progress | 1,799 | 913 |
| Other, net | 1,427 | 1,344 |
| Total property, plant and equipment | 26,171 | 22,039 |
| Intangible assets | 393 | 398 |
| Investments and other assets | | |
| Investment securities | 2,599 | 3,158 |
| Retirement benefit asset | 5,299 | 8,969 |
| Deferred tax assets | 1,757 | 110 |
| Other | 869 | 757 |
| Allowance for doubtful accounts | (52) | (52) |
| Total investments and other assets | 10,474 | 12,944 |
| Total non-current assets | 37,039 | 35,382 |
| Total assets | 86,220 | 82,662 |

(Millions of yen)

| | As of March 31, 2023 | As of March 31, 2024 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 14,065 | 11,731 |
| Electronically recorded obligations - operating | 3,353 | 3,100 |
| Short-term borrowings | 3,600 | 4,400 |
| Accounts payable - other | 2,266 | 2,003 |
| Income taxes payable | 244 | 258 |
| Other | 3,982 | 3,668 |
| Total current liabilities | 27,512 | 25,162 |
| Non-current liabilities | | |
| Long-term borrowings | 7,500 | 10,250 |
| Deferred tax liabilities | 502 | 3,072 |
| Retirement benefit liability | 4,056 | 4,177 |
| Asset retirement obligations | 369 | 371 |
| Provision for PCB waste disposal expenses | 38 | 22 |
| Other | 34 | 55 |
| Total non-current liabilities | 12,502 | 17,949 |
| Total liabilities | 40,014 | 43,112 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 14,640 | 14,640 |
| Capital surplus | 4,097 | 4,097 |
| Retained earnings | 23,073 | 14,258 |
| Treasury shares | (373) | (1,560) |
| Total shareholders' equity | 41,439 | 31,437 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 281 | 574 |
| Deferred gains or losses on hedges | (66) | 5 |
| Foreign currency translation adjustment | 2,279 | 2,860 |
| Remeasurements of defined benefit plans | 2,271 | 4,671 |
| Total accumulated other comprehensive income | 4,766 | 8,112 |
| Total net assets | 46,206 | 39,549 |
| Total liabilities and net assets | 86,220 | 82,662 |

## Consolidated Statements of Income and Comprehensive Income

### Consolidated Statements of Income

(Millions of yen)

| | For the fiscal year ended March 31, 2023 | For the fiscal year ended March 31, 2024 |
|---|---|---|
| Net sales | 82,917 | 78,607 |
| Cost of sales | 68,066 | 64,423 |
| Gross profit | 14,850 | 14,184 |
| Selling, general and administrative expenses | | |
| Transportation and storage costs | 6,336 | 5,764 |
| Advertising and promotion expenses | 740 | 725 |
| Provision of allowance for doubtful accounts | (15) | 19 |
| Salaries and allowances and welfare expenses | 5,460 | 5,344 |
| Retirement benefit expenses | 10 | 35 |
| Travel, transportation and communication expenses | 427 | 492 |
| Depreciation | 433 | 554 |
| Other | 2,170 | 2,206 |
| Total selling, general and administrative expenses | 15,563 | 15,143 |
| Operating loss | (713) | (958) |
| Non-operating income | | |
| Interest income | 19 | 23 |
| Dividend income | 41 | 41 |
| Share of profit of entities accounted for using equity method | 150 | 208 |
| Foreign exchange gains | 163 | 382 |
| Rental income from real estate | 91 | 76 |
| Other | 256 | 227 |
| Total non-operating income | 723 | 960 |
| Non-operating expenses | | |
| Interest expenses | 47 | 67 |
| Compensation expenses | 25 | 40 |
| Other | 55 | 65 |
| Total non-operating expenses | 127 | 173 |
| Ordinary loss | (117) | (171) |

(Millions of yen)

| | For the fiscal year ended March 31, 2023 | For the fiscal year ended March 31, 2024 |
|---|---|---|
| Extraordinary income | | |
| Gain on sale of non-current assets | 6 | 487 |
| Gain on sale of investment securities | 231 | 40 |
| Subsidy income | 85 | - |
| Total extraordinary income | 323 | 528 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 0 | - |
| Impairment losses | 1,312 | 4,973 |
| Loss on retirement of non-current assets | 136 | 91 |
| Loss on sale of investment securities | 1 | - |
| Total extraordinary losses | 1,449 | 5,065 |
| Loss before income taxes | (1,243) | (4,708) |
| Income taxes - current | 334 | 408 |
| Income taxes - deferred | (373) | 3,093 |
| Total income taxes | (38) | 3,502 |
| Loss | (1,204) | (8,210) |
| Profit attributable to non-controlling interests | - | - |
| Loss attributable to owners of parent | (1,204) | (8,210) |

Consolidated Statements of Comprehensive Income

(Millions of yen)

| | For the fiscal year ended March 31, 2023 | For the fiscal year ended March 31, 2024 |
|---|---|---|
| Loss | (1,204) | (8,210) |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (126) | 292 |
| Deferred gains or losses on hedges | (71) | 71 |
| Foreign currency translation adjustment | 1,081 | 508 |
| Remeasurements of defined benefit plans, net of tax | 42 | 2,399 |
| Share of other comprehensive income of entities accounted for using equity method | 109 | 72 |
| Total other comprehensive income | 1,035 | 3,345 |
| Comprehensive income | (169) | (4,865) |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | (169) | (4,865) |
| Comprehensive income attributable to non-controlling interests | - | - |

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Millions of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 14,640 | 4,838 | 24,904 | (386) | 43,997 |
| Changes during period | | | | | |
| Dividends of surplus | | | (625) | | (625) |
| Loss attributable to owners of parent | | | (1,204) | | (1,204) |
| Purchase of treasury shares | | | | (726) | (726) |
| Cancellation of treasury shares | | (740) | | 740 | - |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | (740) | (1,830) | 13 | (2,557) |
| Balance at end of period | 14,640 | 4,097 | 23,073 | (373) | 41,439 |

(Millions of yen)

| | Accumulated other comprehensive income | | | | | Total net assets |
|---|---|---|---|---|---|---|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | |
| Balance at beginning of period | 408 | 5 | 1,087 | 2,229 | 3,731 | 47,728 |
| Changes during period | | | | | | |
| Dividends of surplus | | | | | | (625) |
| Loss attributable to owners of parent | | | | | | (1,204) |
| Purchase of treasury shares | | | | | | (726) |
| Cancellation of treasury shares | | | | | | - |
| Net changes in items other than shareholders' equity | (126) | (71) | 1,191 | 42 | 1,035 | 1,035 |
| Total changes during period | (126) | (71) | 1,191 | 42 | 1,035 | (1,521) |
| Balance at end of period | 281 | (66) | 2,279 | 2,271 | 4,766 | 46,206 |

For the fiscal year ended March 31, 2024

(Millions of yen)

| | Shareholders' equity | | | | |
|---|---|---|---|---|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 14,640 | 4,097 | 23,073 | (373) | 41,439 |
| Changes during period | | | | | |
| Dividends of surplus | | | (604) | | (604) |
| Loss attributable to owners of parent | | | (8,210) | | (8,210) |
| Purchase of treasury shares | | | | (1,187) | (1,187) |
| Cancellation of treasury shares | | | | | - |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | - | (8,815) | (1,187) | (10,002) |
| Balance at end of period | 14,640 | 4,097 | 14,258 | (1,560) | 31,437 |

(Millions of yen)

| | Accumulated other comprehensive income | | | | | Total net assets |
|---|---|---|---|---|---|---|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | |
| Balance at beginning of period | 408 | 5 | 1,087 | 2,229 | 3,731 | 47,728 |
| Changes during period | | | | | | |
| Dividends of surplus | | | | | | (625) |
| Loss attributable to owners of parent | | | | | | (1,204) |
| Purchase of treasury shares | | | | | | (726) |
| Cancellation of treasury shares | | | | | | - |
| Net changes in items other than shareholders' equity | (126) | (71) | 1,191 | 42 | 1,035 | 1,035 |
| Total changes during period | (126) | (71) | 1,191 | 42 | 1,035 | (1,521) |
| Balance at end of period | 281 | (66) | 2,279 | 2,271 | 4,766 | 46,206 |

Consolidated Statements of Cash Flows

(Millions of yen)

| | For the fiscal year ended March 31, 2023 | For the fiscal year ended March 31, 2024 |
|---|---|---|
| Cash flows from operating activities | | |
| Loss before income taxes | (1,243) | (4,708) |
| Depreciation | 3,329 | 3,428 |
| Impairment losses | 1,312 | 4,973 |
| Increase (decrease) in allowance for doubtful accounts | (15) | 18 |
| Interest and dividend income | (61) | (64) |
| Interest expenses | 47 | 67 |
| Foreign exchange losses (gains) | (42) | (262) |
| Share of loss (profit) of entities accounted for using equity method | (150) | (208) |
| Loss (gain) on sale and retirement of non-current assets | 129 | (395) |
| Loss (gain) on sale of investment securities | (230) | (40) |
| Subsidy income | (85) | - |
| Decrease (increase) in trade receivables | (1,546) | 1,513 |
| Decrease (increase) in inventories | (2,967) | 647 |
| Increase (decrease) in trade payables | 1,785 | (2,738) |
| Increase (decrease) in accrued consumption taxes | (341) | 545 |
| Increase (decrease) in retirement benefit liability | (33) | 116 |
| Decrease (increase) in other assets | 154 | 425 |
| Increase (decrease) in other liabilities | (840) | (1,264) |
| Subtotal | (800) | 2,053 |
| Interest and dividends received | 311 | 245 |
| Interest paid | (48) | (59) |
| Proceeds from insurance income | 5 | 9 |
| Subsidies received | 85 | - |
| Income taxes paid | (625) | (369) |
| Net cash provided by (used in) operating activities | (1,072) | 1,878 |
| Cash flows from investing activities | | |
| Decrease (increase) in time deposits | 1 | (0) |
| Purchase of non-current assets | (4,838) | (4,249) |
| Proceeds from sale of non-current assets | 6 | 489 |
| Purchase of investment securities | (3) | (102) |
| Proceeds from sale of investment securities | 347 | 68 |
| Proceeds from collection of loans receivable | 0 | 0 |
| Net cash provided by (used in) investing activities | (4,484) | (3,793) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | 1,400 | 800 |
| Proceeds from long-term borrowings | 4,500 | 2,750 |
| Purchase of treasury shares | (726) | (1,187) |
| Dividends paid | (625) | (604) |
| Net cash provided by (used in) financing activities | 4,547 | 1,758 |
| Effect of exchange rate change on cash and cash equivalents | 308 | 120 |
| Net increase (decrease) in cash and cash equivalents | (701) | (35) |
| Cash and cash equivalents at beginning of period | 7,588 | 6,886 |
| Cash and cash equivalents at end of period | 6,886 | 6,851 |