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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 11, 2024

Company name: Achilles Corporation
Listing: Tokyo
Securities code: 5142
URL: https://www.achilles.jp
Representative: Ichiro Hikage President
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Scheduled date to file semi-annual securities report: November 14, 2024
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	38,838	1.7	(449)	-	(471)	-	1,588	927.2
September 30, 2023	38,182	(6.4)	(519)	-	(45)	-	154	(7.3)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 3,431 million [209.6%]
Six months ended September 30, 2023: ¥ 1,108 million [(46.3)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	112.42	-
September 30, 2023	10.41	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2024	84,040	42,127	50.1	3,023.27
March 31, 2024	82,662	39,549	47.8	2,764.61

(Reference) Equity: As of September 30, 2024: ¥ 42,127 million
As of March 31, 2024: ¥ 39,549 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	20.00	20.00
Fiscal year ending March 31, 2025	-	0.00			
Fiscal year ending March 31, 2025 (Forecast)			-	20.00	20.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	84,000	6.9	200	-	500	-	1,850	-	131.82

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
2) Changes in accounting policies due to other reasons: None
3) Changes in accounting estimates: None
4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2024:	14,562,714	shares
March 31, 2024:	15,362,714	shares

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

September 30, 2024:	628,216	shares
March 31, 2024:	1,056,951	shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024:	14,133,320	shares
Six months ended September 30, 2023:	14,857,402	shares

* The current quarterly (semi-annual) financial results are not subject to quarterly review procedures by certified public accountants or an auditing firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual results may differ materially due to various factors.

Semi-annual Consolidated Financial Statements

Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	6,852	8,539
Notes receivable - trade	2,427	1,619
Electronically recorded monetary claims - operating	6,518	6,717
Accounts receivable - trade	13,457	13,110
Merchandise and finished goods	9,971	9,162
Work in process	2,085	2,119
Raw materials and supplies	4,266	4,605
Other	1,753	1,813
Allowance for doubtful accounts	(52)	(45)
Total current assets	47,279	47,642
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,981	10,258
Machinery, equipment and vehicles, net	5,631	5,640
Land	4,168	4,109
Construction in progress	913	1,593
Other, net	1,344	1,473
Total property, plant and equipment	22,039	23,075
Intangible assets	398	406
Investments and other assets		
Investment securities	3,158	3,180
Retirement benefit asset	8,969	8,877
Deferred tax assets	110	148
Other	757	774
Allowance for doubtful accounts	(52)	(67)
Total investments and other assets	12,944	12,915
Total non-current assets	35,382	36,397
Total assets	82,662	84,040

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,731	11,127
Electronically recorded obligations - operating	3,100	3,165
Short-term borrowings	4,400	4,400
Accounts payable - other	2,003	1,743
Income taxes payable	258	406
Other	3,668	3,267
Total current liabilities	25,162	24,110
Non-current liabilities		
Long-term borrowings	10,250	10,250
Deferred tax liabilities	3,072	2,876
Retirement benefit liability	4,177	4,235
Asset retirement obligations	371	371
Provision for PCB waste disposal expenses	22	22
Other	55	46
Total non-current liabilities	17,949	17,802
Total liabilities	43,112	41,912
Net assets		
Shareholders' equity		
Share capital	14,640	14,640
Capital surplus	4,097	3,660
Retained earnings	14,258	14,808
Treasury shares	(1,560)	(936)
Total shareholders' equity	31,437	32,172
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	574	548
Deferred gains or losses on hedges	5	(8)
Foreign currency translation adjustment	2,860	5,040
Remeasurements of defined benefit plans	4,671	4,375
Total accumulated other comprehensive income	8,112	9,954
Total net assets	39,549	42,127
Total liabilities and net assets	82,662	84,040

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	38,182	38,838
Cost of sales	31,089	31,904
Gross profit	7,093	6,934
Selling, general and administrative expenses		
Transportation and storage costs	2,853	2,840
Advertising and promotion expenses	396	350
Provision of allowance for doubtful accounts	14	7
Salaries and allowances and welfare expenses	2,704	2,783
Retirement benefit expenses	3	(55)
Travel, transportation and communication expenses	244	247
Depreciation	277	197
Other	1,118	1,011
Total selling, general and administrative expenses	7,612	7,383
Operating loss	(519)	(449)
Non-operating income		
Interest income	3	24
Dividend income	19	23
Share of profit of entities accounted for using equity method	79	114
Foreign exchange gains	306	-
Rental income from real estate	42	24
Other	98	112
Total non-operating income	549	298
Non-operating expenses		
Interest expenses	33	54
Foreign exchange losses	-	195
Compensation expenses	18	21
Other	23	47
Total non-operating expenses	75	320
Ordinary loss	(45)	(471)
Extraordinary income		
Gain on sale of non-current assets	486	2,304
Total extraordinary income	486	2,304
Extraordinary losses		
Loss on retirement of non-current assets	56	28
Total extraordinary losses	56	28
Profit before income taxes	384	1,804
Income taxes - current	303	317
Income taxes - deferred	(73)	(101)
Total income taxes	229	215
Profit	154	1,588
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	154	1,588

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	154	1,588
Other comprehensive income		
Valuation difference on available-for-sale securities	195	(26)
Deferred gains or losses on hedges	95	(14)
Foreign currency translation adjustment	763	2,016
Remeasurements of defined benefit plans, net of tax	(180)	(295)
Share of other comprehensive income of entities accounted for using equity method	79	162
Total other comprehensive income	953	1,842
Comprehensive income	1,108	3,431
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,108	3,431
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	384	1,804
Depreciation	1,570	1,409
Increase (decrease) in allowance for doubtful accounts	14	7
Interest and dividend income	(23)	(47)
Interest expenses	33	54
Foreign exchange losses (gains)	(195)	174
Share of loss (profit) of entities accounted for using equity method	(79)	(114)
Loss (gain) on sale and retirement of non-current assets	(430)	(2,275)
Decrease (increase) in trade receivables	2,287	1,207
Decrease (increase) in inventories	(432)	814
Increase (decrease) in trade payables	(3,053)	(722)
Increase (decrease) in accrued consumption taxes	174	(332)
Increase (decrease) in retirement benefit liability	64	57
Decrease (increase) in other assets	145	107
Increase (decrease) in other liabilities	(738)	(376)
Subtotal	(278)	1,768
Interest and dividends received	203	234
Interest paid	(30)	(60)
Income taxes paid	(218)	(153)
Net cash provided by (used in) operating activities	(324)	1,789
Cash flows from investing activities		
Decrease (increase) in time deposits	(0)	(1,001)
Purchase of non-current assets	(2,137)	(2,099)
Proceeds from sale of non-current assets	488	2,376
Purchase of investment securities	(101)	(0)
Net cash provided by (used in) investing activities	(1,750)	(724)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(700)	-
Proceeds from long-term borrowings	2,750	-
Purchase of treasury shares	(689)	(567)
Dividends paid	(604)	(286)
Net cash provided by (used in) financing activities	756	(853)
Effect of exchange rate change on cash and cash equivalents	190	475
Net increase (decrease) in cash and cash equivalents	(1,127)	686
Cash and cash equivalents at beginning of period	6,886	6,851
Cash and cash equivalents at end of period	5,759	7,537