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

November 14, 2024

Company name: Fuji Die Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Securities code: 6167
URL: https://www.fujidie.co.jp/
Representative: Yoshikazu Haruta, Representative Director and President
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Scheduled date of filing semi-annual securities report: November 14, 2024
Scheduled date of commencing dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for securities analysts and institutional investors)

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

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

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2024	8,277	0.8	291	(34.0)	394	(21.3)	250	(34.2)
September 30, 2023	8,210	(1.9)	441	(23.6)	501	(24.1)	380	(16.4)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥416 million [(23.3)%]
Six months ended September 30, 2023: ¥543 million [(14.1)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	12.59	–
September 30, 2023	19.15	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2024	25,498	20,451	80.2
As of March 31, 2024	26,138	20,647	79.0

(Reference) Equity: As of September 30, 2024: ¥20,451 million
As of March 31, 2024: ¥20,647 million

2. Cash Dividends

	Annual dividends per share				
	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	–	32.00	32.00
Fiscal year ending March 31, 2025	–	0.00			
Fiscal year ending March 31, 2025 (Forecast)			–	40.00	40.00

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

Details of year-end dividends for the fiscal year ended March 31, 2024: Ordinary dividend: ¥22.00

Commemorative dividend: ¥10.00

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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	17,000	1.9	680	(16.0)	850	(3.6)	590	(16.8)	29.68

(Notes) Revision to the financial results forecast announced most recently: Yes

For the full-year financial results forecast for the fiscal year ending March 31, 2025, please refer to "Notice Concerning the Difference between Consolidated Financial Results Forecast and Actual Results for the Six Months Ended September 30, 2024 and Revision to the Full-Year Financial Results Forecast for the Fiscal Year Ending March 31, 2025" announced today (November 14, 2024).

*** Notes:**

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

Newly included: – ( ) Excluded: – ( )

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

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

1) Changes in accounting policies due to the revisions to accounting standards and other regulations: None

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

3) Changes in accounting estimates: None

4) Retrospective restatement: None

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

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

September 30, 2024: 20,000,000 shares

March 31, 2024: 20,000,000 shares

2) Total number of treasury shares at the end of the period:

September 30, 2024: 106,012 shares

March 31, 2024: 133,780 shares

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

Six months ended September 30, 2024: 19,875,476 shares

Six months ended September 30, 2023: 19,847,164 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.
* Explanation of the proper use of financial results forecast and other notes

The financial results forecast and other forward-looking statements herein are based on information available to the Company and certain assumptions that are deemed reasonable as of the date of publication of this document. Therefore, these statements do not constitute a guarantee that the Company will achieve this forecast or other forward-looking statements. For the assumptions underlying the forecast herein and cautionary notes on the use of this financial results forecast, please refer to "1. Overview of Operating Results, etc. (3) Explanation of Forward-Looking Information, including Consolidated Earnings Forecasts" on page 4.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Six Months Ended September 30, 2024

The Japanese economy during the six months ended September 30, 2024 (hereinafter, the period under review) continued to see gradual recovery. However, the economic outlook remained uncertain due to factors such as a surge in resource and energy prices and a global rise in prices impacted by the situation in Ukraine, the conflict in the Middle East, the prolonged weakening of the Japanese yen, and a slowdown in the Chinese economy.

Amid this environment, the Group has laid out a fiscal year goal of "*Kyosei* (We all respect individuality and personality and support each other. All of our employees grow together with the Company)," striving to achieve higher quality, lower cost, shorter delivery time, and excellent service.

Aiming for "Transforming the company structure to adapt business resilience," the Group formulated the medium-term management plan for three years that spans from the fiscal year ending March 31, 2025, and has started implementing various measures with the following as priority measures:

1. Strengthen the management foundation
2. Increasing productivity and Improving business efficiency
3. Leaping forward in overseas business
4. Contributing to a zero carbon / recycling-based society
5. Development of new business

The specific measures are as follows.

For 1. Strengthen the management foundation, the Group promoted a project for core system innovation and redesigned the corporate website. For 2. Increasing productivity and Improving business efficiency, the Group introduced new automated robots at model factories. For 3. Leaping forward in overseas business, the Group exhibited at trade shows held in China and North America to increase name recognition and expand sales. For 4. Contributing to a zero carbon / recycling-based society, the Group developed "Fujilloy TR05/TR30" for molds for the molding of glass lenses used for sensors for autonomous driving of vehicles, and started a full-fledged effort on sales from the previous term. In recognition of the achievement, the Group was awarded the first prize of "The Japan Society for Precision Engineering Monozukuri Award" for the development of the material and establishment of ultra-precision processing technology. For 5. Development of new business, the Group established a specialized organization for new businesses.

As a result, net sales for the period under review totaled ¥8,277 million (up 0.8% year on year).

For carbide tools, although sales of hot rolling mill rolls for overseas markets were strong, sales of grooved rolls for overseas markets which were strong in the previous fiscal year, significantly dropped due to the inventory adjustments by customers, and as a result, net sales were ¥2,053 million (down 12.8% year on year).

For carbide molds, sales of can manufacturing molds and molds for next-generation automotive parts were strong, and as a result, net sales were ¥2,053 million (up 8.4% year on year).

For other carbide products, demand for semiconductor production equipment remained strong, and sales of carbide materials for overseas markets were in a recovery trend. As a result, net sales were ¥2,165 million (up 10.6% year on year).

In non-carbide products, although sales of kneading tools remained sluggish, they were offset by sales of some steel tools and molds for automotive parts that remained strong. As a result, net sales were ¥2,005 million (up 0.1% year on year).

On the profit front, operating profit was ¥291 million (down 34.0% year on year), ordinary profit was ¥394 million (down 21.3% year on year), and profit attributable to owners of parent was ¥250 million (down 34.2% year on year), impacted by the surging cost of raw materials and enhanced investments in IT and human resources, although certain favorable results were achieved primarily in the measure of Increasing productivity and Improving business efficiency, etc.

Segment information has been omitted because the Group is comprised of a single business segment, the wear-resistant tool-related business.

(2) Overview of Financial Position for the Six Months Ended September 30, 2024

(Current assets)

Current assets at the end of the period under review decreased by ¥428 million to ¥14,596 million (¥15,024 million at the end of the previous fiscal year). This is primarily attributable to decreases of ¥353 million in notes and accounts receivable - trade and ¥193 million in electronically recorded monetary claims - operating, despite an increase of ¥63 million in merchandise and finished goods.

(Non-current assets)

Non-current assets at the end of the period under review decreased by ¥212 million to ¥10,902 million (¥11,114 million at the end of the previous fiscal year). This is mainly attributable to decreases of ¥140 million in buildings and structures, net and ¥129 million in machinery, equipment and vehicles, net.

(Current liabilities)

Current liabilities at the end of the period under review decreased by ¥426 million to ¥3,444 million (¥3,871 million at the end of the previous fiscal year). This is mainly attributable to decreases of ¥478 million in accrued expenses and ¥213 million in notes and accounts payable - trade, despite an increase of ¥477 million in provision for bonuses.

(Non-current liabilities)

Non-current liabilities at the end of the period under review decreased by ¥17 million to ¥1,602 million (¥1,619 million at the end of the previous fiscal year).

(Net assets)

Total net assets at the end of the period under review decreased by ¥195 million to ¥20,451 million (¥20,647 million at the end of the previous fiscal year). This is mainly attributable to an increase of ¥250 million in retained earnings due to the recording of profit attributable to owners of parent, offset by a decrease of ¥635 million in retained earnings due to dividends of surplus, and an increase of ¥178 million in foreign currency translation adjustment.

(Status of Cash Flows)

Cash and cash equivalents at the end of the period under review increased by ¥17 million from the end of the previous fiscal year to ¥7,001 million.

The following is the status and factors of each of the cash flow categories for the period under review.

(Cash flows from operating activities)

Net cash provided by operating activities in the period under review amounted to ¥1,057 million (¥1,216 million provided in the same period of the previous fiscal year) mainly due to the recording of ¥394 million in profit before income taxes, ¥480 million in depreciation, and ¥576 million in decrease in trade receivables.

(Cash flows from investing activities)

Net cash used in investing activities in the period under review amounted to ¥464 million (¥724 million used in the same period of the previous fiscal year) mainly due to ¥401 million in purchase of property, plant and equipment. As a result, free cash flow was an inflow of ¥592 million (an inflow of ¥491 million for the same period of the previous fiscal year).

(Cash flows from financing activities)

Net cash used in financing activities in the period under review amounted to ¥651 million (¥641 million used in the same period of the previous fiscal year) mainly due to dividends paid of ¥634 million.

(3) Explanation of Forward-Looking Information, including Consolidated Earnings Forecasts

There is a revision to the consolidated financial results forecast for the full year of the fiscal year ending March 31, 2025 announced on May 15, 2024. In addition, there is a difference between the earnings forecast and actual results for the period under review.

For the details, please refer to “Notice Concerning the Difference between Consolidated Financial Results Forecast and Actual Results for the Six Months Ended September 30, 2024 and Revision to the Full-Year Financial Results Forecast for the Fiscal Year Ending March 31, 2025” announced today (November 14, 2024).

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	6,381	6,440
Notes and accounts receivable - trade	2,799	2,445
Electronically recorded monetary claims - operating	1,349	1,155
Securities	1,000	1,000
Merchandise and finished goods	202	265
Work in process	1,772	1,754
Raw materials and supplies	1,294	1,305
Other	226	230
Allowance for doubtful accounts	(2)	(2)
Total current assets	15,024	14,596
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,012	4,871
Machinery, equipment and vehicles, net	2,211	2,081
Tools, furniture and fixtures, net	276	315
Land	2,726	2,740
Other	19	2
Total property, plant and equipment	10,246	10,011
Intangible assets		
Other	235	262
Total intangible assets	235	262
Investments and other assets		
Investment securities	217	202
Long-term loans receivable	7	6
Deferred tax assets	366	384
Other	41	35
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	632	627
Total non-current assets	11,114	10,902
Total assets	26,138	25,498

(Million yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,896	1,683
Short-term borrowings	35	28
Lease liabilities	26	18
Accounts payable - other	723	581
Accrued expenses	662	183
Income taxes payable	166	181
Provision for bonuses	207	685
Provision for bonuses for directors (and other officers)	22	–
Other	129	82
Total current liabilities	3,871	3,444
Non-current liabilities		
Lease liabilities	38	32
Deferred tax liabilities	16	14
Provision for retirement benefits for directors (and other officers)	3	3
Retirement benefit liability	1,561	1,551
Total non-current liabilities	1,619	1,602
Total liabilities	5,491	5,046
Net assets		
Shareholders' equity		
Share capital	164	164
Capital surplus	1	7
Retained earnings	19,896	19,510
Treasury shares	(83)	(65)
Total shareholders' equity	19,978	19,616
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	105	93
Foreign currency translation adjustment	463	642
Remeasurements of defined benefit plans	100	99
Total accumulated other comprehensive income	669	835
Total net assets	20,647	20,451
Total liabilities and net assets	26,138	25,498

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	8,210	8,277
Cost of sales	6,110	6,191
Gross profit	2,099	2,086
Selling, general and administrative expenses	1,658	1,794
Operating profit	441	291
Non-operating income		
Interest income	4	7
Dividend income	5	2
Rental income	11	10
Foreign exchange gains	27	17
Subsidy income	8	63
Other	5	7
Total non-operating income	64	108
Non-operating expenses		
Interest expenses	1	2
Donations	1	1
Other	0	0
Total non-operating expenses	4	4
Ordinary profit	501	394
Extraordinary income		
Gain on sale of non-current assets	41	0
Total extraordinary income	41	0
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	0	0
Impairment losses	0	0
Total extraordinary losses	0	0
Profit before income taxes	542	394
Income taxes	162	101
Income taxes for prior periods	–	42
Profit	380	250
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	380	250

Semi-annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	380	250
Other comprehensive income		
Valuation difference on available-for-sale securities	22	(12)
Foreign currency translation adjustment	139	178
Remeasurements of defined benefit plans, net of tax	1	(0)
Total other comprehensive income	162	166
Comprehensive income	543	416
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	543	416
Comprehensive income attributable to non-controlling interests	–	–

(3) Semi-annual Consolidated Statements of Cash Flows

(Million 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	542	394
Depreciation	451	480
Impairment losses	0	0
Increase (decrease) in provision for bonuses	509	475
Increase (decrease) in provision for bonuses for directors (and other officers)	(39)	(22)
Increase (decrease) in retirement benefit liability	(4)	(13)
Interest and dividend income	(10)	(10)
Subsidy income	(8)	(63)
Interest expenses	1	2
Loss (gain) on sale of non-current assets	(41)	(0)
Loss on retirement of non-current assets	0	0
Decrease (increase) in trade receivables	356	576
Decrease (increase) in inventories	68	(44)
Increase (decrease) in trade payables	(187)	(230)
Increase (decrease) in accounts payable - other	235	97
Increase (decrease) in accrued expenses	(483)	(479)
Other, net	(80)	(24)
Subtotal	1,311	1,138
Interest and dividends received	10	10
Interest paid	(1)	(2)
Subsidies received	8	63
Income taxes paid	(131)	(157)
Income taxes refund	19	5
Net cash provided by (used in) operating activities	1,216	1,057
Cash flows from investing activities		
Payments into time deposits	(385)	(419)
Proceeds from withdrawal of time deposits	376	410
Purchase of investment securities	(1)	(1)
Purchase of property, plant and equipment	(671)	(401)
Proceeds from sale of property, plant and equipment	43	0
Purchase of intangible assets	(89)	(55)
Proceeds from collection of loans receivable	2	0
Other, net	(0)	1
Net cash provided by (used in) investing activities	(724)	(464)
Cash flows from financing activities		
Proceeds from short-term borrowings	4	27
Repayments of short-term borrowings	(4)	(37)
Repayments of lease liabilities	(7)	(7)
Dividends paid	(633)	(634)
Net cash provided by (used in) financing activities	(641)	(651)
Effect of exchange rate change on cash and cash equivalents	57	75
Net increase (decrease) in cash and cash equivalents	(92)	17
Cash and cash equivalents at beginning of period	7,193	6,983
Cash and cash equivalents at end of period	7,101	7,001

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no relevant information.

(Notes in the Event of Significant Changes in the Amount of Shareholders' Equity)

There is no relevant information.

(Adoption of Accounting Treatment Specific to the Preparation of Semi-annual Consolidated Financial Statements)

For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)
(Calculation of tax expense) The Company has adopted the method of calculating tax expenses based on a rational estimate of the effective tax rate, determined after applying tax effect accounting on profit before income taxes for the consolidated fiscal year including the six months ended September 30, 2024, and multiplying the semi-annual profit before income taxes with said estimate of the effective tax rate.