

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



Consolidated Financial Results for the Year Ended December 31, 2023 [Japanese GAAP]

February 9, 2024

Company name: J.E.T. Co., LTD.
 Stock exchange listing: Tokyo
 Code number: 6228
 URL: <https://www.globaljet.jp/>
 Representative: Masayuki Bouno President
 Contact: Munchisa Toita Director
 Phone: +81-865-69-4080
 Scheduled date of Annual General Meeting of Shareholders: March 27, 2024
 Scheduled date of commencing dividend payments: March 28, 2024
 Scheduled date of filing annual securities report: March 28, 2024
 Availability of supplementary briefing material on annual financial results: Yes
 Schedule of annual financial results briefing session: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2023 (January 1, 2023 to December 31, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2023	24,984	8.1	2,613	25.7	2,444	28.9	1,651	37.9
December 31, 2022	23,114	21.0	2,078	12.2	1,896	11.3	1,197	2.6

(Note) Comprehensive income: Fiscal year ended December 31, 2023: ¥ 1,754 million [38.7%]
 Fiscal year ended December 31, 2022: ¥ 1,265 million [(5.5)%]

	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	%	%	%
December 31, 2023	419.50	-	15.9	8.5	10.4
December 31, 2022	317.62	-	15.3	7.8	8.9

(Note) The Company conducted a 2-for-1 stock split of its common stock on January 1, 2023. Basic earnings per share is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended December 31, 2022.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2023	28,774	12,411	43.1	2,840.19
December 31, 2022	28,290	8,340	29.4	2,212.32

(Reference) Equity: As of December 31, 2023: ¥ 12,411 million
 As of December 31, 2022: ¥ 8,340 million

(Note) The Company conducted a 2-for-1 stock split of its common stock on January 1, 2023. Net assets per share is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended December 31, 2022.

(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
December 31, 2023	(1,181)	106	(338)	2,742
December 31, 2022	(3,597)	(210)	3,731	4,105

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	%	%
December 31, 2022	-	0.00	-	127.00	127.00	239	19.9	3.0
December 31, 2023	-	0.00	-	102.00	102.00	445	24.3	4.0
Fiscal year ending December 31, 2024 (Forecast)	-	0.00	-	102.00	102.00		25.6	

(Note) The Company conducted a 2-for-1 stock split of its common stock on January 1, 2023. For the fiscal year ended December 31, 2022, the actual dividend amount prior to the stock split is shown.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2024 (January 1, 2024 to December 31, 2024)

(% 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 June 30, 2024	10,600	(9.5)	620	(40.3)	530	(43.8)	330	(48.9)	75.51
Full year	25,680	2.7	2,740	4.8	2,600	6.3	1,740	5.3	398.16

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New 1 (Company name: JET AMERICA INC.)

Exclusion: - (Company name:)

(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):

December 31, 2023: 4,490,000 shares

December 31, 2022: 3,890,000 shares

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

December 31, 2023: 120,000 shares

December 31, 2022: 120,000 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended December 31, 2023: 3,936,027 shares

Fiscal Year ended December 31, 2022: 3,770,000 shares

(Note) The Company conducted a 2-for-1 stock split of its common stock on January 1, 2023. The total number of issued shares at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period are calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended December 31, 2022.

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2022	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	4,812,788	3,317,342
Notes and accounts receivable - trade, and contract assets	1,660,904	1,091,965
Merchandise and finished goods	6,585,313	5,105,008
Work in process	5,307,981	6,605,339
Raw materials and supplies	7,082,191	10,348,883
Other	990,318	600,266
Total current assets	26,439,498	27,068,805
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	309,040	300,343
Machinery, equipment and vehicles, net	486,111	309,015
Land	304,873	304,873
Other, net	37,201	40,173
Total property, plant and equipment	1,137,226	954,404
Intangible assets		
Other	75,052	56,435
Total intangible assets	75,052	56,435
Investments and other assets		
Deferred tax assets	554,408	593,995
Other	84,656	101,040
Total investments and other assets	639,065	695,035
Total non-current assets	1,851,343	1,705,876
Total assets	28,290,842	28,774,681

(Thousands of yen)

	As of December 31, 2022	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,095,243	1,443,097
Short-term borrowings	3,150,000	1,250,000
Current portion of long-term borrowings	727,932	654,032
Income taxes payable	339,660	534,116
Lease liabilities	3,429	4,392
Advances received	6,904,276	6,354,331
Provision for bonuses	30,783	29,260
Provision for product warranties	449,611	484,036
Other	734,813	743,657
Total current liabilities	14,435,750	11,496,924
Non-current liabilities		
Long-term borrowings	5,438,882	4,784,850
Lease liabilities	9,951	9,734
Provision for retirement benefits for directors (and other officers)	60,957	66,713
Asset retirement obligations	4,755	4,766
Other	43	-
Total non-current liabilities	5,514,590	4,866,064
Total liabilities	19,950,340	16,362,988
Net assets		
Shareholders' equity		
Share capital	571,000	1,848,880
Capital surplus	558,538	1,836,418
Retained earnings	7,058,419	8,470,204
Treasury shares	(170,820)	(170,820)
Total shareholders' equity	8,017,137	11,984,683
Accumulated other comprehensive income		
Foreign currency translation adjustment	323,339	426,983
Total accumulated other comprehensive income	323,339	426,983
Non-controlling interests	25	25
Total net assets	8,340,502	12,411,692
Total liabilities and net assets	28,290,842	28,774,681

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Net sales	23,114,584	24,984,922
Cost of sales	18,220,764	19,449,757
Gross profit	4,893,820	5,535,165
Selling, general and administrative expenses	2,815,079	2,921,640
Operating profit	2,078,740	2,613,525
Non-operating income		
Interest income	6,911	8,000
Subsidy income	8,188	9,780
Consumption taxes refund	2,317	10,293
Other	2,750	6,185
Total non-operating income	20,168	34,261
Non-operating expenses		
Interest expenses	64,381	61,201
Foreign exchange losses	48,607	83,548
Commission expenses	88,948	56,987
Other	344	1,218
Total non-operating expenses	202,282	202,956
Ordinary profit	1,896,627	2,444,829
Extraordinary losses		
Impairment losses	233,731	-
Loss on retirement of non-current assets	-	34
Total extraordinary losses	233,731	34
Profit before income taxes	1,662,895	2,444,795
Income taxes - current	621,745	832,548
Income taxes - deferred	(156,281)	(38,934)
Total income taxes	465,463	793,614
Profit	1,197,431	1,651,180
Profit attributable to owners of parent	1,197,431	1,651,180

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Profit	1,197,431	1,651,180
Other comprehensive income		
Foreign currency translation adjustment	67,949	103,644
Total other comprehensive income	67,949	103,644
Comprehensive income	1,265,381	1,754,825
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,265,381	1,754,825

Consolidated Statements of Changes in Equity

For the fiscal year ended December 31, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	571,000	558,538	6,094,727	(170,820)	7,053,446
Changes during period					
Issuance of new shares					-
Dividends of surplus			(233,740)		(233,740)
Profit attributable to owners of parent			1,197,431		1,197,431
Net changes in items other than shareholders' equity					
Total changes during period	-	-	963,691	-	963,691
Balance at end of period	571,000	558,538	7,058,419	(170,820)	8,017,137

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	255,389	255,389	51	7,308,886
Changes during period				
Issuance of new shares				-
Dividends of surplus				(233,740)
Profit attributable to owners of parent				1,197,431
Net changes in items other than shareholders' equity	67,949	67,949	(25)	67,924
Total changes during period	67,949	67,949	(25)	1,031,615
Balance at end of period	323,339	323,339	25	8,340,502

For the fiscal year ended December 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	571,000	558,538	7,058,419	(170,820)	8,017,137
Changes during period					
Issuance of new shares	1,277,880	1,277,880			2,555,760
Dividends of surplus			(239,395)		(239,395)
Profit attributable to owners of parent			1,651,180		1,651,180
Net changes in items other than shareholders' equity					
Total changes during period	1,277,880	1,277,880	1,411,785	-	3,967,545
Balance at end of period	1,848,880	1,836,418	8,470,204	(170,820)	11,984,683

	Accumulated other comprehensive income		Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	323,339	323,339	25	8,340,502
Changes during period				
Issuance of new shares				2,555,760
Dividends of surplus				(239,395)
Profit attributable to owners of parent				1,651,180
Net changes in items other than shareholders' equity	103,644	103,644	-	103,644
Total changes during period	103,644	103,644	-	4,071,190
Balance at end of period	426,983	426,983	25	12,411,692

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended December 31, 2022	For the fiscal year ended December 31, 2023
Cash flows from operating activities		
Profit before income taxes	1,662,895	2,444,795
Depreciation	328,475	253,411
Impairment losses	233,731	-
Increase (decrease) in provision for bonuses	3,441	(1,617)
Increase (decrease) in provision for product warranties	79,670	34,425
Increase (decrease) in provision for retirement benefits for directors (and other officers)	8,412	5,755
Interest and dividend income	(6,911)	(8,000)
Interest expenses	64,381	61,201
Subsidy income	(8,188)	(9,780)
Decrease (increase) in trade receivables	(761,940)	623,430
Decrease (increase) in inventories	(7,986,539)	(3,071,073)
Increase (decrease) in trade payables	5,606	(650,211)
Increase (decrease) in advances received	3,652,093	(550,033)
Decrease (increase) in other current assets	(222,543)	400,461
Increase (decrease) in other current liabilities	(63,719)	(7,821)
Other, net	266,911	(10,410)
Subtotal	(2,744,224)	(485,469)
Interest and dividends received	6,911	8,000
Interest paid	(70,391)	(60,755)
Income taxes paid	(797,534)	(653,429)
Subsidies received	8,188	9,780
Net cash provided by (used in) operating activities	(3,597,049)	(1,181,872)
Cash flows from investing activities		
Net decrease (increase) in time deposits	(102,401)	140,793
Purchase of property, plant and equipment	(50,827)	(30,360)
Purchase of intangible assets	(58,178)	(4,502)
Other, net	436	272
Net cash provided by (used in) investing activities	(210,970)	106,202
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(800,000)	(1,900,000)
Proceeds from long-term borrowings	5,300,000	-
Repayments of long-term borrowings	(532,378)	(727,932)
Proceeds from issuance of shares	-	2,532,925
Dividends paid	(233,740)	(239,395)
Repayments of lease liabilities	(2,621)	(3,633)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(25)	-
Net cash provided by (used in) financing activities	3,731,235	(338,035)
Effect of exchange rate change on cash and cash equivalents	50,964	50,521
Net increase (decrease) in cash and cash equivalents	(25,820)	(1,363,182)
Cash and cash equivalents at beginning of period	4,131,377	4,105,557
Cash and cash equivalents at end of period	4,105,557	2,742,374