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

August 9, 2024

Company name: J.E.T. Co., LTD.
Listing: Tokyo
Securities code: 6228
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Scheduled date to file semi-annual securities report: August 9, 2024
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Six Months Ended June 30, 2024 (January 1, 2024 to June 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	%
June 30, 2024	9,968	(15.0)	587	(43.4)	520	(44.9)	297	(54.0)
June 30, 2023	11,724	19.3	1,039	19.9	944	26.7	646	31.8

(Note) Comprehensive income: Six months ended June 30, 2024: ¥ 463 million [(37.5)%]
Six months ended June 30, 2023: ¥ 741 million [7.3%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2024	22.68	-
June 30, 2023	57.18	-

(Note) The Company conducted a 3-for-1 stock split of its common stock on April 1, 2024. 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, 2023.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2024	28,228	12,429	44.0
December 31, 2023	28,774	12,411	43.1

(Reference) Equity: As of June 30, 2024: ¥ 12,429 million
As of December 31, 2023: ¥ 12,411 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 December 31, 2023	-	0.00	-	102.00	102.00
Fiscal year ending December 31, 2024	-	0.00			
Fiscal year ending December 31, 2024 (Forecast)			-	17.00	17.00

(Note) 1. Revision to the forecast for dividends announced most recently: Yes
2. The Company conducted a 3-for-1 stock split of its common stock on April 1, 2024. For the fiscal year ended December 31, 2023, 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)

(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	21,480	(14.0)	1,460	(44.1)	1,350	(44.8)	900	(45.5)	68.65

(Note) 1. Revision to the financial results forecast announced most recently: Yes
2. The Company conducted a 3-for-1 stock split of its common stock on April 1, 2024.

* Notes:

(1) Significant changes in the scope of consolidation during the period: None
Newly included: - (Company name:)
Excluded: - (Company name:)

(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: None
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):
June 30, 2024: 13,470,000 shares
December 31, 2023: 13,470,000 shares

2) Number of treasury shares at the end of the period:
June 30, 2024: 360,000 shares
December 31, 2023: 360,000 shares

3) Average number of shares outstanding during the period:
Six months ended June 30, 2024: 13,110,000 shares
Six months ended June 30, 2023: 11,310,000 shares

(Note) The Company conducted a 3-for-1 stock split of its common stock on April 1, 2024. 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, 2023.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forecasts given in this document are based on the current available information in the company and certain reasonable

assumptions to the company. And we don’t commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

Semi-annual Consolidated Financial Statements

Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2023	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	3,317	4,149
Notes and accounts receivable - trade, and contract assets	1,091	893
Merchandise and finished goods	5,105	5,995
Work in process	6,605	3,986
Raw materials and supplies	10,348	10,921
Other	600	429
Total current assets	27,068	26,375
Non-current assets		
Property, plant and equipment	954	1,013
Intangible assets	56	92
Investments and other assets	695	746
Total non-current assets	1,705	1,852
Total assets	28,774	28,228
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,443	1,026
Short-term borrowings	1,250	3,750
Current portion of long-term borrowings	654	574
Income taxes payable	534	256
Lease liabilities	4	4
Advances received	6,354	4,490
Provision for bonuses	29	121
Provision for product warranties	484	463
Other	743	488
Total current liabilities	11,496	11,175
Non-current liabilities		
Long-term borrowings	4,784	4,537
Lease liabilities	9	9
Provision for retirement benefits for directors (and other officers)	66	70
Asset retirement obligations	4	4
Total non-current liabilities	4,866	4,623
Total liabilities	16,362	15,799

(Millions of yen)

	As of December 31, 2023	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	1,848	1,848
Capital surplus	1,836	1,836
Retained earnings	8,470	8,321
Treasury shares	(170)	(170)
Total shareholders' equity	11,984	11,836
Accumulated other comprehensive income		
Foreign currency translation adjustment	426	592
Total accumulated other comprehensive income	426	592
Non-controlling interests	0	-
Total net assets	12,411	12,429
Total liabilities and net assets	28,774	28,228

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Net sales	11,724	9,968
Cost of sales	9,324	7,961
Gross profit	2,399	2,006
Selling, general and administrative expenses	1,360	1,418
Operating profit	1,039	587
Non-operating income		
Interest income	3	8
Consumption taxes refund	-	1
Subsidy income	9	0
Surrender value of insurance policies	-	15
Other	1	0
Total non-operating income	14	26
Non-operating expenses		
Interest expenses	32	31
Foreign exchange losses	42	24
Commission expenses	33	36
Other	1	1
Total non-operating expenses	109	93
Ordinary profit	944	520
Profit before income taxes	944	520
Income taxes - current	361	279
Income taxes - deferred	(63)	(56)
Total income taxes	297	222
Profit	646	297
Profit attributable to owners of parent	646	297

(Millions of yen)

	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Profit	646	297
Other comprehensive income		
Foreign currency translation adjustment	94	165
Total other comprehensive income	94	165
Comprehensive income	741	463
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	741	463

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended June 30, 2023	For the six months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	944	520
Depreciation	125	130
Increase (decrease) in provision for bonuses	106	91
Increase (decrease) in provision for product warranties	9	(21)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	1	4
Interest and dividend income	(3)	(8)
Interest expenses	32	31
Decrease (increase) in trade receivables and contract assets	782	275
Decrease (increase) in inventories	(2,848)	1,176
Increase (decrease) in trade payables	(89)	(430)
Surrender value of insurance policies	-	(15)
Subsidy income	(9)	(0)
Increase (decrease) in advances received	2,989	(1,865)
Decrease (increase) in other current assets	266	178
Increase (decrease) in other current liabilities	(327)	(288)
Other, net	(39)	(41)
Subtotal	1,938	(262)
Interest and dividends received	3	8
Interest paid	(32)	(31)
Income taxes paid	(356)	(545)
Subsidies received	9	0
Net cash provided by (used in) operating activities	1,562	(831)
Cash flows from investing activities		
Net decrease (increase) in time deposits	134	(22)
Purchase of property, plant and equipment	(18)	(157)
Purchase of intangible assets	-	(44)
Proceeds from surrender value of insurance	-	33
Other, net	0	(6)
Net cash provided by (used in) investing activities	115	(198)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,850)	2,500
Repayments of long-term borrowings	(381)	(327)
Dividends paid	(239)	(445)
Repayments of lease liabilities	(1)	(2)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(0)
Net cash provided by (used in) financing activities	(2,472)	1,724
Effect of exchange rate change on cash and cash equivalents	45	106
Net increase (decrease) in cash and cash equivalents	(748)	802
Cash and cash equivalents at beginning of period	4,105	2,742
Cash and cash equivalents at end of period	3,356	3,544