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

October 25, 2024

Company name: AICHI CORPORATION
Listing: Tokyo, Nagoya
Securities code: 6345
URL: https://www.aichi-corp.co.jp
Representative: Toshiya Yamagishi, President and Representative Director
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Scheduled date to file semi-annual securities report: November 8, 2024
Scheduled date to commence dividend payments: November 28, 2024
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 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	28,079	6.4	2,757	8.4	3,126	8.8	2,218	8.4
September 30, 2023	26,395	(2.6)	2,543	3.7	2,873	(1.3)	2,045	(1.6)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 1,903 million [(34.1)%]
Six months ended September 30, 2023: ¥ 2,889 million [33.3%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	29.75	-
September 30, 2023	27.20	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	97,896	82,126	83.9
March 31, 2024	94,921	81,789	86.2

(Reference) Equity: As of September 30, 2024: ¥ 82,126 million
As of March 31, 2024: ¥ 81,789 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	-	19.00	-	21.00	40.00
Fiscal year ending March 31, 2025	-	20.00			
Fiscal year ending March 31, 2025 (Forecast)			-	20.00	40.00

(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	58,000	9.2	7,100	12.0	7,600	8.3	5,600	6.3	75.11

(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: 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):

September 30, 2024: 74,570,000 shares
March 31, 2024: 74,570,000 shares

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

September 30, 2024: 9,842 shares
March 31, 2024: 9,697 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 74,560,226 shares
Six months ended September 30, 2023: 75,210,920 shares

* 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

・All projections are based on the information available to management at the time of making this report and are not guarantees of future performance. Uncertainties could cause the actual results of AICHI CORPORATION to differ materially from any projections discussed in this report.

Semi-annual Consolidated Financial Statements

Semi-annual Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	42,131,006	45,228,873
Notes and accounts receivable - trade	17,078,985	16,541,436
Merchandise and finished goods	2,819,650	2,655,872
Work in process	1,643,386	1,571,963
Raw materials and supplies	1,562,785	1,703,951
Other	592,449	354,078
Total current assets	65,828,262	68,056,175
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,655,773	6,452,481
Machinery, equipment and vehicles, net	1,411,784	1,585,286
Land	8,522,521	8,522,521
Other, net	559,976	1,834,505
Total property, plant and equipment	17,150,055	18,394,793
Intangible assets	651,201	604,788
Investments and other assets		
Investment securities	7,066,511	6,827,240
Retirement benefit asset	600,466	610,464
Other	3,630,421	3,407,877
Allowance for doubtful accounts	(5,301)	(5,107)
Total investments and other assets	11,292,097	10,840,474
Total non-current assets	29,093,354	29,840,057
Total assets	94,921,617	97,896,233

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,372,886	7,835,428
Income taxes payable	862,617	1,015,511
Provision for bonuses for directors (and other officers)	38,000	13,000
Provision for product warranties	133,476	119,710
Other	2,503,070	4,688,436
Total current liabilities	10,910,051	13,672,087
Non-current liabilities		
Deferred tax liabilities for land revaluation	616,302	616,302
Deferred tax liabilities	1,383,340	1,261,284
Other	222,859	219,658
Total non-current liabilities	2,222,503	2,097,246
Total liabilities	13,132,554	15,769,333
Net assets		
Shareholders' equity		
Share capital	10,425,325	10,425,325
Capital surplus	9,923,342	9,923,342
Retained earnings	56,428,242	57,080,616
Treasury shares	(8,939)	(9,112)
Total shareholders' equity	76,767,970	77,420,171
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,025,637	3,893,236
Revaluation reserve for land	(1,624,044)	(1,624,044)
Foreign currency translation adjustment	1,218,929	1,116,944
Remeasurements of defined benefit plans	1,400,570	1,320,591
Total accumulated other comprehensive income	5,021,092	4,706,727
Total net assets	81,789,062	82,126,899
Total liabilities and net assets	94,921,617	97,896,233

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	26,395,450	28,079,257
Cost of sales	21,104,706	22,496,837
Gross profit	5,290,743	5,582,420
Selling, general and administrative expenses	2,747,489	2,825,021
Operating profit	2,543,254	2,757,398
Non-operating income		
Interest income	5,540	14,344
Dividend income	79,534	79,773
Share of profit of entities accounted for using equity method	224,089	234,780
Foreign exchange gains	6,502	24,943
Other	15,920	15,937
Total non-operating income	331,587	369,780
Non-operating expenses		
Other	1,414	466
Total non-operating expenses	1,414	466
Ordinary profit	2,873,427	3,126,712
Extraordinary income		
Gain on sale of non-current assets	763	-
Gain on sale of investment securities	-	32,372
Total extraordinary income	763	32,372
Extraordinary losses		
Loss on retirement of non-current assets	627	6,260
Total extraordinary losses	627	6,260
Profit before income taxes	2,873,564	3,152,824
Income taxes - current	791,350	963,958
Income taxes - deferred	36,321	(29,275)
Total income taxes	827,671	934,683
Profit	2,045,892	2,218,140
Profit attributable to owners of parent	2,045,892	2,218,140

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	2,045,892	2,218,140
Other comprehensive income		
Valuation difference on available-for-sale securities	475,341	(132,401)
Foreign currency translation adjustment	135,851	(42,679)
Remeasurements of defined benefit plans, net of tax	66,851	(79,978)
Share of other comprehensive income of entities accounted for using equity method	165,066	(59,305)
Total other comprehensive income	843,109	(314,365)
Comprehensive income	2,889,002	1,903,775
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,889,002	1,903,775
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statements of Cash Flows

(Thousands 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	2,873,564	3,152,824
Depreciation	693,566	692,645
Increase (decrease) in allowance for doubtful accounts	80	(193)
Increase (decrease) in provision for product warranties	2,337	(13,766)
Decrease (increase) in retirement benefit asset	-	(9,998)
Increase (decrease) in retirement benefit liability	(142,455)	-
Interest and dividend income	(85,075)	(94,118)
Share of loss (profit) of entities accounted for using equity method	(224,089)	(234,780)
Loss (gain) on sale of investment securities	-	(32,372)
Foreign exchange losses (gains)	(2,340)	895
Loss (gain) on sale and retirement of non-current assets	(136)	6,260
Decrease (increase) in trade receivables	5,443,113	533,036
Decrease (increase) in inventories	(645,135)	87,493
Increase (decrease) in trade payables	(1,708,382)	472,832
Other, net	(166,230)	532,021
Subtotal	6,038,816	5,092,781
Interest and dividends received	840,353	462,320
Income taxes paid	(1,358,853)	(817,451)
Net cash provided by (used in) operating activities	5,520,316	4,737,649
Cash flows from investing activities		
Decrease (increase) in deposits	(2,600,000)	-
Proceeds from sale of investment securities	-	80,912
Purchase of property, plant and equipment and intangible assets	(403,790)	(94,807)
Other, net	42,489	2,428
Net cash provided by (used in) investing activities	(2,961,301)	(11,466)
Cash flows from financing activities		
Purchase of treasury shares	(202)	(172)
Dividends paid	(1,429,009)	(1,565,766)
Other, net	(48,017)	(39,447)
Net cash provided by (used in) financing activities	(1,477,230)	(1,605,386)
Effect of exchange rate change on cash and cash equivalents	59,177	(22,929)
Net increase (decrease) in cash and cash equivalents	1,140,962	3,097,867
Cash and cash equivalents at beginning of period	5,727,648	42,131,006
Cash and cash equivalents at end of period	6,868,611	45,228,873