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

November 1, 2024

Company name: Aichi Tokei Denki Co., Ltd.
Listing: Tokyo, Nagoya
Securities code: 7723
URL: https://www.aichitokei.co.jp/
Representative: Kenji Kunishima — President and Representative Director, President Executive Officer
Inquiries: Satoru Maruyama — Senior Executive Officer, General Manager of Administration Headquarters
Telephone: +81-52-661-5151
Scheduled date to file semi-annual securities report: November 12, 2024
Scheduled date to commence dividend payments: November 25, 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	25,588	3.4	1,359	(24.9)	1,484	(32.4)	1,060	(35.2)
September 30, 2023	24,751	4.9	1,810	78.0	2,195	48.4	1,637	52.0

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 1,161 million [(58.4) %]
Six months ended September 30, 2023: ¥ 2,790 million [88.0%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	69.04	69.02
September 30, 2023	106.83	106.77

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	60,151	44,859	74.6
March 31, 2024	61,399	44,159	71.9

(Reference) Equity: As of September 30, 2024: ¥ 44,854 million
As of March 31, 2024: ¥ 44,154 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	-	31.00	-	33.00	64.00
Fiscal year ending March 31, 2025	-	35.00			
Fiscal year ending March 31, 2025 (Forecast)			-	35.00	70.00

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

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend - yen

Special dividend - yen

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	53,050	3.6	3,600	(0.5)	4,300	0.8	3,160	(0.5)	205.77

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

* 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: 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: 15,420,000 shares
March 31, 2024: 15,420,000 shares

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

September 30, 2024: 43,022 shares
March 31, 2024: 63,116 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 15,366,893 shares
Six months ended September 30, 2023: 15,323,734 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

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	10,831	12,010
Notes and accounts receivable - trade, and contract assets	13,922	11,642
Finished goods	1,684	1,128
Work in process	10,992	11,215
Raw materials and supplies	322	226
Other	335	584
Allowance for doubtful accounts	(1)	(1)
Total current assets	38,088	36,807
Non-current assets		
Property, plant and equipment	8,342	8,616
Intangible assets	75	74
Investments and other assets		
Investment securities	9,365	9,042
Other	5,532	5,615
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	14,893	14,653
Total non-current assets	23,311	23,344
Total assets	61,399	60,151
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,766	6,140
Short-term borrowings	824	666
Income taxes payable	1,035	307
Provision for bonuses for directors (and other officers)	46	28
Other	3,601	3,307
Total current liabilities	12,273	10,449
Non-current liabilities		
Long-term borrowings	34	34
Retirement benefit liability	4,713	4,628
Asset retirement obligations	6	6
Other	212	173
Total non-current liabilities	4,966	4,842
Total liabilities	17,239	15,291

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	3,218	3,218
Capital surplus	311	325
Retained earnings	34,308	34,862
Treasury shares	(99)	(67)
Total shareholders' equity	37,738	38,338
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,836	3,600
Foreign currency translation adjustment	594	992
Remeasurements of defined benefit plans	1,984	1,922
Total accumulated other comprehensive income	6,415	6,515
Share acquisition rights	5	5
Total net assets	44,159	44,859
Total liabilities and net assets	61,399	60,151

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	24,751	25,588
Cost of sales	18,783	20,060
Gross profit	5,968	5,527
Selling, general and administrative expenses	4,157	4,168
Operating profit	1,810	1,359
Non-operating income		
Dividend income	142	166
Foreign exchange gains	184	-
Other	82	100
Total non-operating income	409	266
Non-operating expenses		
Interest expenses	2	2
Foreign exchange losses	-	74
Loss on valuation of investment securities	0	48
Other	21	15
Total non-operating expenses	24	141
Ordinary profit	2,195	1,484
Profit before income taxes	2,195	1,484
Income taxes - current	516	274
Income taxes - deferred	42	148
Total income taxes	558	423
Profit	1,637	1,060
Profit attributable to owners of parent	1,637	1,060

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	1,637	1,060
Other comprehensive income		
Valuation difference on available-for-sale securities	914	(235)
Foreign currency translation adjustment	236	398
Remeasurements of defined benefit plans, net of tax	2	(62)
Total other comprehensive income	1,153	100
Comprehensive income	2,790	1,161
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,790	1,161

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	2,195	1,484
Depreciation	518	499
Increase (decrease) in provision for bonuses for directors (and other officers)	(22)	(17)
Increase (decrease) in allowance for doubtful accounts	1	(0)
Decrease (increase) in retirement benefit asset	(70)	(142)
Increase (decrease) in retirement benefit liability	(33)	(80)
Interest and dividend income	(149)	(186)
Interest expenses	2	2
Foreign exchange losses (gains)	(143)	35
Loss (gain) on sale and retirement of property, plant and equipment	(1)	(2)
Loss (gain) on sale of investment securities	(0)	-
Decrease (increase) in accounts receivable - trade, and contract assets	1,059	2,283
Decrease (increase) in inventories	(830)	534
Increase (decrease) in trade payables	(1,737)	(638)
Loss (gain) on valuation of investment securities	0	48
Increase (decrease) in accrued consumption taxes	80	(4)
Other, net	(16)	(409)
Subtotal	853	3,406
Interest and dividends received	149	186
Interest paid	(2)	(2)
Income taxes paid	(986)	(970)
Net cash provided by (used in) operating activities	13	2,619
Cash flows from investing activities		
Net decrease (increase) in time deposits	(1)	(300)
Purchase of property, plant and equipment	(541)	(780)
Proceeds from sale of property, plant and equipment	3	5
Purchase of investment securities	(4)	(77)
Other, net	4	0
Net cash provided by (used in) investing activities	(539)	(1,152)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	(158)
Repayments of lease liabilities	(79)	(76)
Purchase of treasury shares	-	(0)
Dividends paid	(518)	(506)
Other, net	0	-
Net cash provided by (used in) financing activities	(597)	(741)
Effect of exchange rate change on cash and cash equivalents	253	153
Net increase (decrease) in cash and cash equivalents	(869)	879
Cash and cash equivalents at beginning of period	8,847	8,572
Cash and cash equivalents at end of period	7,977	9,451