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Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

April 23, 2024

Company name: AICHI CORPORATION
 Stock exchange listing: Tokyo, Nagoya
 Code number: 6345
 URL: <https://www.aichi-corp.co.jp>
 Representative: Toshiya Yamagishi, President and Representative Director
 Contact: Tadashi Okumura, Accounting General Manager
 Phone: +81-48-781-1111
 Scheduled date of Annual General Meeting of Shareholders: June 14, 2024
 Scheduled date of commencing dividend payments: May 30, 2024
 Scheduled date of filing annual securities report: June 17, 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 March 31, 2024 (April 1, 2023 to March 31, 2024)

(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 March 31, 2024	53,129	(12.4)	6,341	(13.7)	7,018	(12.4)	5,270	(11.5)
March 31, 2023	60,678	7.2	7,351	7.1	8,016	3.6	5,958	5.5

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 6,672 million [18.1%]
 Fiscal year ended March 31, 2023: ¥ 5,651 million [(3.2)%]

	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	%	%	%
March 31, 2024	70.26	-	6.6	7.4	11.9
March 31, 2023	79.16	-	7.7	8.6	12.1

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ 443 million
 Fiscal year ended March 31, 2023: ¥ 375 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	94,921	81,789	86.2	1,096.95
March 31, 2023	95,695	78,573	82.1	1,044.71

(Reference) Equity: As of March 31, 2024: ¥ 81,789 million
 As of March 31, 2023: ¥ 78,573 million

(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
March 31, 2024	7,111	32,763	(3,551)	42,131
March 31, 2023	4,508	(2,253)	(3,225)	5,727

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	%	%
March 31, 2023	-	17.00	-	19.00	36.00	2,707	45.5	3.5
March 31, 2024	-	19.00	-	21.00	40.00	2,994	56.9	3.7
Fiscal year ending								
March 31, 2025 (Forecast)	-	20.00	-	20.00	40.00		53.3	

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
	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

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(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):

March 31, 2024: 74,570,000 shares

March 31, 2023: 75,211,400 shares

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

March 31, 2024: 9,697 shares

March 31, 2023: 375 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 75,010,765 shares

Fiscal Year ended March 31, 2023: 75,268,286 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	52,956	(11.7)	6,218	(14.7)	6,452	(21.8)	4,701	(26.0)
March 31, 2023	59,981	6.9	7,287	6.3	8,253	16.3	6,354	25.4

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	62.68	-
March 31, 2023	84.43	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	89,777	76,038	84.7	1,019.82
March 31, 2023	92,071	74,650	81.1	992.55

(Reference) Equity: As of March 31, 2024: ¥ 76,038 million
As of March 31, 2023: ¥ 74,650 million

* Financial results reports are not subjected to reviews.

* Explanation for appropriate use of financial forecasts and other special notes

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions of the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	1,162,162	42,131,006
Deposits paid	37,865,486	-
Notes receivable - trade	3,408,581	5,388,054
Accounts receivable - trade	20,063,056	11,690,930
Merchandise and finished goods	1,065,423	2,819,650
Work in process	1,251,898	1,643,386
Raw materials and supplies	1,486,946	1,562,785
Other	1,249,447	592,449
Total current assets	67,553,002	65,828,262
Non-current assets		
Property, plant and equipment		
Buildings and structures	19,505,384	20,094,861
Accumulated depreciation	(12,890,269)	(13,439,088)
Buildings and structures, net	6,615,115	6,655,773
Machinery, equipment and vehicles	9,957,769	10,243,708
Accumulated depreciation	(8,261,419)	(8,831,923)
Machinery, equipment and vehicles, net	1,696,350	1,411,784
Tools, furniture and fixtures	2,963,989	3,057,019
Accumulated depreciation	(2,788,596)	(2,857,974)
Tools, furniture and fixtures, net	175,392	199,044
Land	8,523,400	8,522,521
Leased assets	747,944	732,253
Accumulated depreciation	(485,104)	(505,936)
Leased assets, net	262,839	226,317
Construction in progress	341,940	134,614
Total property, plant and equipment	17,615,039	17,150,055
Intangible assets	601,208	651,201
Investments and other assets		
Investment securities	6,959,086	7,066,511
Retirement benefit asset	-	600,466
Other	2,973,787	3,630,421
Allowance for doubtful accounts	(6,653)	(5,301)
Total investments and other assets	9,926,220	11,292,097
Total non-current assets	28,142,468	29,093,354
Total assets	95,695,470	94,921,617

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,248,973	7,372,886
Lease liabilities	94,148	72,642
Income taxes payable	1,385,807	862,617
Provision for bonuses for directors (and other officers)	38,000	38,000
Provision for product warranties	153,065	133,476
Other	2,975,807	2,430,428
Total current liabilities	14,895,802	10,910,051
Non-current liabilities		
Lease liabilities	214,152	183,348
Deferred tax liabilities	695,862	1,383,340
Deferred tax liabilities for land revaluation	616,302	616,302
Retirement benefit liability	660,461	-
Other	39,142	39,511
Total non-current liabilities	2,225,920	2,222,503
Total liabilities	17,121,723	13,132,554
Net assets		
Shareholders' equity		
Share capital	10,425,325	10,425,325
Capital surplus	9,923,342	9,923,342
Retained earnings	54,606,278	56,428,242
Treasury shares	(313)	(8,939)
Total shareholders' equity	74,954,632	76,767,970
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,882,938	4,025,637
Revaluation reserve for land	(1,624,044)	(1,624,044)
Foreign currency translation adjustment	808,182	1,218,929
Remeasurements of defined benefit plans	552,038	1,400,570
Total accumulated other comprehensive income	3,619,115	5,021,092
Total net assets	78,573,747	81,789,062
Total liabilities and net assets	95,695,470	94,921,617

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	60,678,851	53,129,278
Cost of sales	47,627,170	41,350,074
Gross profit	13,051,681	11,779,203
Selling, general and administrative expenses		
Packing and delivery expenses	479,842	519,553
Advertising expenses	72,348	79,936
Sales commission	33,027	18,000
Remuneration for directors (and other officers)	74,277	77,178
Salaries, allowances and bonuses	2,182,919	2,123,220
Provision for bonuses for directors (and other officers)	33,647	34,591
Retirement benefit expenses	142,486	100,998
Welfare expenses	506,773	457,976
Communication and transportation expenses	251,419	272,583
Depreciation	315,446	298,976
Repair expenses	71,617	71,925
Rent expenses	170,832	143,307
Research and development expenses	478,312	424,499
Other	887,419	814,839
Total selling, general and administrative expenses	5,700,370	5,437,588
Operating profit	7,351,310	6,341,615
Non-operating income		
Interest income	10,724	19,402
Dividend income	172,863	174,111
Foreign exchange gains	56,844	7,492
Share of profit of entities accounted for using equity method	375,337	443,652
Miscellaneous income	51,487	34,566
Total non-operating income	667,258	679,226
Non-operating expenses		
Miscellaneous losses	2,492	1,992
Total non-operating expenses	2,492	1,992
Ordinary profit	8,016,076	7,018,849

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of non-current assets	755	763
Gain on sale of investment securities	406,591	469,008
Total extraordinary income	407,347	469,771
Extraordinary losses		
Loss on sale of non-current assets	170	-
Loss on retirement of non-current assets	6,461	998
Loss on valuation of investment securities	6,650	-
Impairment losses	606	415
Loss on liquidation of subsidiaries and associates	28,491	-
Compensation for damage	104,011	-
Total extraordinary losses	146,393	1,414
Profit before income taxes	8,277,030	7,487,206
Income taxes - current	2,177,077	1,987,427
Income taxes - deferred	141,849	229,699
Total income taxes	2,318,927	2,217,127
Profit	5,958,103	5,270,078
Profit attributable to owners of parent	5,958,103	5,270,078

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	5,958,103	5,270,078
Other comprehensive income		
Valuation difference on available-for-sale securities	(202,491)	142,698
Foreign currency translation adjustment	37,184	182,567
Remeasurements of defined benefit plans, net of tax	(153,242)	848,531
Share of other comprehensive income of entities accounted for using equity method	12,262	228,179
Total other comprehensive income	(306,286)	1,401,977
Comprehensive income	5,651,817	6,672,056
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,651,817	6,672,056
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,425,325	9,923,342	52,416,619	(646,937)	72,118,350
Changes during period					
Dividends of surplus			(2,790,323)		(2,790,323)
Profit attributable to owners of parent			5,958,103		5,958,103
Purchase of treasury shares				(331,569)	(331,569)
Disposal of treasury shares		(8)		78	70
Cancellation of treasury shares		(978,113)		978,113	-
Transfer from retained earnings to capital surplus		978,121	(978,121)		-
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	2,189,659	646,623	2,836,282
Balance at end of period	10,425,325	9,923,342	54,606,278	(313)	74,954,632

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	4,085,430	(1,624,044)	758,735	705,280	3,925,401	76,043,752
Changes during period						
Dividends of surplus						(2,790,323)
Profit attributable to owners of parent						5,958,103
Purchase of treasury shares						(331,569)
Disposal of treasury shares						70
Cancellation of treasury shares						-
Transfer from retained earnings to capital surplus						-
Net changes in items other than shareholders' equity	(202,491)	-	49,447	(153,242)	(306,286)	(306,286)
Total changes during period	(202,491)	-	49,447	(153,242)	(306,286)	2,529,995
Balance at end of period	3,882,938	(1,624,044)	808,182	552,038	3,619,115	78,573,747

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,425,325	9,923,342	54,606,278	(313)	74,954,632
Changes during period					
Dividends of surplus			(2,858,014)		(2,858,014)
Profit attributable to owners of parent			5,270,078		5,270,078
Purchase of treasury shares				(598,726)	(598,726)
Cancellation of treasury shares		(590,100)		590,100	-
Transfer from retained earnings to capital surplus		590,100	(590,100)		-
Net changes in items other than shareholders' equity					-
Total changes during period	-	-	1,821,963	(8,625)	1,813,337
Balance at end of period	10,425,325	9,923,342	56,428,242	(8,939)	76,767,970

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,882,938	(1,624,044)	808,182	552,038	3,619,115	78,573,747
Changes during period						
Dividends of surplus						(2,858,014)
Profit attributable to owners of parent						5,270,078
Purchase of treasury shares						(598,726)
Cancellation of treasury shares						-
Transfer from retained earnings to capital surplus						-
Net changes in items other than shareholders' equity	142,698	-	410,747	848,531	1,401,977	1,401,977
Total changes during period	142,698	-	410,747	848,531	1,401,977	3,215,315
Balance at end of period	4,025,637	(1,624,044)	1,218,929	1,400,570	5,021,092	81,789,062

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	8,277,030	7,487,206
Depreciation	1,484,874	1,440,853
Impairment losses	606	415
Increase (decrease) in allowance for doubtful accounts	(105)	(1,352)
Increase (decrease) in provision for product warranties	(75,205)	(19,588)
Decrease (increase) in retirement benefit asset	-	(600,466)
Increase (decrease) in retirement benefit liability	171,168	(660,461)
Interest and dividend income	(183,588)	(193,514)
Share of loss (profit) of entities accounted for using equity method	(375,337)	(443,652)
Loss (gain) on sale of investment securities	(406,591)	(469,008)
Loss (gain) on valuation of investment securities	6,650	-
Foreign exchange losses (gains)	(233)	(1,187)
Loss (gain) on sale and retirement of non-current assets	5,876	234
Decrease (increase) in trade receivables	(4,867,428)	6,414,625
Decrease (increase) in inventories	(97,425)	(2,186,934)
Increase (decrease) in trade payables	1,616,971	(2,894,893)
Compensation for damage	104,011	-
Other, net	307,942	776,418
Subtotal	5,969,215	8,648,697
Interest and dividends received	174,820	952,113
Compensation paid for damage	(104,011)	-
Income taxes paid	(1,531,291)	(2,489,172)
Net cash provided by (used in) operating activities	4,508,733	7,111,638
Cash flows from investing activities		
Decrease (increase) in deposits	(1,900,000)	33,300,000
Purchase of investment securities	(100)	-
Proceeds from sale of investment securities	497,355	565,984
Purchase of property, plant and equipment and intangible assets	(789,647)	(1,072,594)
Proceeds from sale of property, plant and equipment and intangible assets	3,329	9,085
Other, net	(64,501)	(39,166)
Net cash provided by (used in) investing activities	(2,253,563)	32,763,309
Cash flows from financing activities		
Purchase of treasury shares	(331,569)	(598,726)
Dividends paid	(2,790,323)	(2,858,014)
Other, net	(103,184)	(95,009)
Net cash provided by (used in) financing activities	(3,225,076)	(3,551,750)
Effect of exchange rate change on cash and cash equivalents	20,906	80,160
Net increase (decrease) in cash and cash equivalents	(949,001)	36,403,357
Cash and cash equivalents at beginning of period	6,676,649	5,727,648
Cash and cash equivalents at end of period	5,727,648	42,131,006