

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 10, 2023

Company name: Ashimori Industry Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 3526 URL <https://www.ashimori.co.jp>
 Representative: President Shigeyuki Washine
 General Manager, Finance&Accounting Dept. Hiroki Kane TEL 06-6105-1863
 Scheduled date to file Quarterly Securities Report: February 10, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2022	46,660	22.1	1,148	–	1,743	–	283	–
Nine months ended December 31, 2021	38,219	8.2	(581)	–	(299)	–	(466)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	47.26		47.16	
Nine months ended December 31, 2021	(77.71)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	52,608	17,842	33.8
As of March 31, 2022	50,283	17,263	34.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	0.00	–	25.00	25.00
Year ending March 31, 2023	–	0.00	–		
Year ending March 31, 2023 (Forecast)				50.00	50.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	64,000	19.5	1,800	235.8	2,400	257.6	1,000	96.0	166.52

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2022
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2022	6,056,939 shares	As of March 31, 2022	6,056,939 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	51,935 shares	As of March 31, 2022	51,606 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	6,005,173 shares	Nine months ended December 31, 2021	6,004,343 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	2,390	4,807
Notes and accounts receivable - trade, and contract assets	13,420	12,646
Electronically recorded monetary claims - operating	2,013	1,690
Merchandise and finished goods	2,147	2,620
Work in process	1,237	1,613
Raw materials and supplies	7,327	8,115
Other	1,718	1,824
Allowance for doubtful accounts	(194)	(3)
Total current assets	30,062	33,313
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,230	5,479
Machinery, equipment and vehicles, net	3,650	3,029
Tools, furniture and fixtures, net	1,546	1,270
Land	5,606	5,808
Leased assets, net	36	60
Construction in progress	632	623
Total property, plant and equipment	16,704	16,272
Intangible assets		
Goodwill	761	639
Other	275	280
Total intangible assets	1,037	920
Investments and other assets		
Investment securities	1,247	1,297
Long-term loans receivable	0	-
Deferred tax assets	760	298
Retirement benefit asset	265	287
Other	226	236
Allowance for doubtful accounts	(20)	(17)
Total investments and other assets	2,479	2,102
Total non-current assets	20,221	19,294
Total assets	50,283	52,608

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,074	6,994
Electronically recorded obligations - operating	4,628	4,763
Short-term borrowings	4,960	3,568
Current portion of long-term borrowings	2,158	2,750
Lease liabilities	16	16
Accounts payable - other	1,084	1,402
Income taxes payable	162	103
Accrued consumption taxes	25	237
Derivatives liabilities	4	154
Provision for bonuses	499	490
Provision for bonuses for directors (and other officers)	8	—
Provision for product warranties	97	78
Other provisions	213	68
Other	1,500	1,884
Total current liabilities	21,435	22,513
Non-current liabilities		
Bonds payable	3,000	3,000
Long-term borrowings	6,438	7,025
Lease liabilities	33	57
Provision for product warranties	30	21
Retirement benefit liability	1,969	2,033
Asset retirement obligations	29	29
Other	84	84
Total non-current liabilities	11,584	12,253
Total liabilities	33,020	34,766
Net assets		
Shareholders' equity		
Share capital	8,388	8,388
Capital surplus	1,632	1,632
Retained earnings	7,120	7,253
Treasury shares	(151)	(152)
Total shareholders' equity	16,989	17,122
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	212	235
Deferred gains or losses on hedges	(4)	(154)
Foreign currency translation adjustment	(4)	556
Remeasurements of defined benefit plans	32	42
Total accumulated other comprehensive income	235	680
Share acquisition rights	21	21
Non-controlling interests	17	17
Total net assets	17,263	17,842
Total liabilities and net assets	50,283	52,608

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	38,219	46,660
Cost of sales	34,054	40,568
Gross profit	4,165	6,092
Selling, general and administrative expenses	4,746	4,943
Operating profit (loss)	(581)	1,148
Non-operating income		
Interest income	11	8
Dividend income	19	28
Rental income	16	31
Foreign exchange gains	190	573
Subsidy income	102	56
Other	86	97
Total non-operating income	426	796
Non-operating expenses		
Interest expenses	100	122
Share of loss of entities accounted for using equity method	11	43
Other	32	35
Total non-operating expenses	144	201
Ordinary profit (loss)	(299)	1,743
Extraordinary income		
Gain on sale of investment securities	2	–
Gain on sale of land	–	4
Total extraordinary income	2	4
Extraordinary losses		
Impairment losses	–	662
Product warranty loss	50	–
Total extraordinary losses	50	662
Profit (loss) before income taxes	(346)	1,085
Income taxes - current	237	284
Income taxes - deferred	(117)	517
Total income taxes	119	801
Profit (loss)	(466)	284
Profit (loss) attributable to non-controlling interests	(0)	0
Profit (loss) attributable to owners of parent	(466)	283

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit (loss)	(466)	284
Other comprehensive income		
Valuation difference on available-for-sale securities	10	23
Deferred gains or losses on hedges	(94)	(149)
Foreign currency translation adjustment	131	507
Remeasurements of defined benefit plans	6	9
Share of other comprehensive income of entities accounted for using equity method	33	54
Total other comprehensive income	86	445
Comprehensive income	(380)	729
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(380)	728
Comprehensive income attributable to non-controlling interests	(0)	0