

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 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. Kazuma Shichisawa TEL 06-6105-1863
 Scheduled date to file Quarterly Securities Report: August 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 three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(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	%
Three months ended June 30, 2023	14,879	6.7	499	4,989.7	833	154.5	789	229.2
Three months ended June 30, 2022	13,951	11.6	9	–	327	–	239	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	131.38	131.12
Three months ended June 30, 2022	39.91	39.83

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	51,498	18,695	36.2
As of March 31, 2023	51,552	18,452	35.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	0.00	–	50.00	50.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	0.00	–	75.00	75.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	65,000	–	2,300	6.8	2,200	–	1,500	47.4	249.78

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
(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 June 30, 2023	6,056,939 shares	As of March 31, 2023	6,056,939 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	51,078 shares	As of March 31, 2023	50,838 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	6,005,961 shares	Three months ended June 30, 2022	6,005,323 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	4,423	5,167
Notes and accounts receivable - trade, and contract assets	13,105	10,849
Electronically recorded monetary claims - operating	1,653	1,509
Merchandise and finished goods	1,977	2,322
Work in process	1,376	1,439
Raw materials and supplies	8,008	9,300
Other	2,015	2,065
Allowance for doubtful accounts	(8)	(8)
Total current assets	32,552	32,645
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,289	5,388
Machinery, equipment and vehicles, net	3,077	3,175
Tools, furniture and fixtures, net	1,283	1,271
Land	5,790	5,830
Leased assets, net	56	52
Construction in progress	312	208
Total property, plant and equipment	15,810	15,927
Intangible assets		
Goodwill	598	557
Other	274	272
Total intangible assets	872	830
Investments and other assets		
Investment securities	1,326	1,392
Deferred tax assets	366	181
Retirement benefit asset	299	304
Other	341	233
Allowance for doubtful accounts	(17)	(16)
Total investments and other assets	2,317	2,094
Total non-current assets	19,000	18,852
Total assets	51,552	51,498

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,411	6,574
Electronically recorded obligations - operating	5,102	4,740
Short-term borrowings	2,254	1,647
Current portion of long-term borrowings	2,614	3,024
Lease liabilities	18	14
Accounts payable - other	1,095	1,127
Income taxes payable	267	77
Accrued consumption taxes	393	196
Provision for bonuses	568	286
Provision for bonuses for directors (and other officers)	24	–
Provision for product warranties	112	73
Other provisions	70	54
Derivative liabilities	–	697
Other	1,566	2,031
Total current liabilities	21,501	20,546
Non-current liabilities		
Bonds payable	3,000	3,000
Long-term borrowings	6,429	7,063
Lease liabilities	50	49
Retirement benefit liability	1,995	2,020
Provision for product warranties	10	8
Asset retirement obligations	29	29
Other	84	84
Total non-current liabilities	11,599	12,256
Total liabilities	33,100	32,802
Net assets		
Shareholders' equity		
Share capital	8,388	8,388
Capital surplus	1,632	1,632
Retained earnings	7,985	8,474
Treasury shares	(148)	(149)
Total shareholders' equity	17,857	18,346
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	266	344
Deferred gains or losses on hedges	–	(697)
Foreign currency translation adjustment	194	567
Remeasurements of defined benefit plans	95	93
Total accumulated other comprehensive income	556	308
Share acquisition rights	20	22
Non-controlling interests	17	17
Total net assets	18,452	18,695
Total liabilities and net assets	51,552	51,498

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	13,951	14,879
Cost of sales	12,357	12,525
Gross profit	1,593	2,354
Selling, general and administrative expenses	1,583	1,855
Operating profit	9	499
Non-operating income		
Interest income	3	3
Dividend income	10	12
Rental income	6	12
Foreign exchange gains	314	343
Subsidy income	27	15
Other	25	22
Total non-operating income	387	410
Non-operating expenses		
Interest expenses	35	48
Rental costs	2	3
Share of loss of entities accounted for using equity method	17	21
Other	14	3
Total non-operating expenses	69	76
Ordinary profit	327	833
Extraordinary income		
Gain on sale of investment securities	–	129
Total extraordinary income	–	129
Profit before income taxes	327	963
Income taxes - current	44	18
Income taxes - deferred	43	155
Total income taxes	87	174
Profit	239	789
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	239	789

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	239	789
Other comprehensive income		
Valuation difference on available-for-sale securities	32	78
Deferred gains or losses on hedges	(674)	(697)
Foreign currency translation adjustment	516	368
Remeasurements of defined benefit plans, net of tax	3	(1)
Share of other comprehensive income of entities accounted for using equity method	6	4
Total other comprehensive income	(115)	(248)
Comprehensive income	123	541
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	123	540
Comprehensive income attributable to non-controlling interests	0	0