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Consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]

November 01, 2022

Company name: Aichi Tokei Denki Co., Ltd.

Stock exchange listing: Tokyo, Nagoya

Code number: 7723

URL: <https://www.aichitokei.co.jp/>

Representative: Kenji Kunishima

President and Representative Director, President Executive Officer

Contact: Kazuki Sugino

Director, Managing Executive Officer, General Manager of Administration Headquarters

Phone: 052-661-5151

Scheduled date of filing quarterly securities report: November 10, 2022

Scheduled date of commencing dividend payments: November 25, 2022

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 30, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2022	23,602	4.6	1,017	(20.8)	1,479	(0.1)	1,077	(3.8)
September 30, 2021	22,568	5.0	1,284	46.0	1,480	41.3	1,119	15.8

(Note) Comprehensive income: Six months ended September 30, 2022: ¥ 1,484 million [162.9%]
Six months ended September 30, 2021: ¥ 564 million [(62.5)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	70.19	70.13
September 30, 2021	72.75	72.68

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2022	52,760	36,349	68.9
March 31, 2022	52,227	35,228	67.4

(Reference) Equity: As of September 30, 2022: ¥ 36,337 million
As of March 31, 2022: ¥ 35,216 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, 2022	-	50.00	-	26.00	-
Fiscal year ending March 31, 2023	-	21.00			
Fiscal year ending March 31, 2023 (Forecast)			-	21.00	42.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	49,340	6.1	3,050	(7.2)	3,730	(2.2)	2,730	(2.1)	177.73

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

September 30, 2022: 15,420,000 shares

March 31, 2022: 15,420,000 shares

2) Total number of treasury shares at the end of the period:

September 30, 2022: 59,726 shares

March 31, 2022: 85,254 shares

3) Average number of shares during the period:

Six months ended September 30, 2022: 15,347,474 shares

Six months ended September 30, 2021: 15,383,558 shares

Quarterly Consolidated Financial Statements
 Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of September 30,2022
Assets		
Current assets		
Cash and deposits	10,737	12,015
Notes and accounts receivable - trade, and contract assets	12,559	11,624
Finished goods	1,431	905
Work in process	7,557	8,103
Raw materials and supplies	290	244
Other	334	500
Allowance for doubtful accounts	(6)	(6)
Total current assets	32,904	33,388
Non-current assets		
Property, plant and equipment	7,990	8,067
Intangible assets	76	87
Investments and other assets		
Investment securities	6,879	6,865
Other	4,381	4,356
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	11,256	11,217
Total non-current assets	19,323	19,371
Total assets	52,227	52,760
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,360	6,106
Short-term borrowings	704	1,077
Income taxes payable	806	341
Provision for bonuses for directors (and other officers)	57	28
Other	2,817	2,707
Total current liabilities	10,744	10,260
Non-current liabilities		
Long-term borrowings	27	27
Retirement benefit liability	5,851	5,806
Asset retirement obligations	6	6
Other	369	309
Total non-current liabilities	6,254	6,149
Total liabilities	16,999	16,410

(Million yen)

	As of March 31,2022	As of September 30,2022
Net assets		
Shareholders' equity		
Share capital	3,218	3,218
Capital surplus	311	311
Retained earnings	29,407	30,076
Treasury shares	(147)	(103)
Total shareholders' equity	32,789	33,503
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,055	2,034
Foreign currency translation adjustment	110	537
Remeasurements of defined benefit plans	259	261
Total accumulated other comprehensive income	2,426	2,833
Share acquisition rights	12	12
Total net assets	35,228	36,349
Total liabilities and net assets	52,227	52,760

Quarterly Consolidated Statements of Income and Comprehensive Income
 Quarterly Consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Net sales	22,568	23,602
Cost of sales	17,144	18,405
Gross profit	5,424	5,197
Selling, general and administrative expenses	4,140	4,180
Operating profit	1,284	1,017
Non-operating income		
Dividend income	114	105
Foreign exchange gains	53	307
Other	83	70
Total non-operating income	252	483
Non-operating expenses		
Interest expenses	22	3
Loss on sale of non-current assets	18	1
Rental expenses on real estate	5	5
Other	9	10
Total non-operating expenses	55	21
Ordinary profit	1,480	1,479
Profit before income taxes	1,480	1,479
Income taxes - current	247	302
Income taxes - deferred	113	99
Total income taxes	361	402
Profit	1,119	1,077
Profit attributable to owners of parent	1,119	1,077

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Profit	1,119	1,077
Other comprehensive income		
Valuation difference on available-for-sale securities	(762)	(20)
Foreign currency translation adjustment	157	426
Remeasurements of defined benefit plans, net of tax	51	1
Total other comprehensive income	(554)	407
Comprehensive income	564	1,484
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	564	1,484

Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Cash flows from operating activities		
Profit before income taxes	1,480	1,479
Depreciation	549	486
Increase (decrease) in provision for bonuses for directors (and other officers)	(28)	(28)
Increase (decrease) in allowance for doubtful accounts	(1)	(0)
Decrease (increase) in retirement benefit asset	(10)	(79)
Increase (decrease) in retirement benefit liability	119	(13)
Interest and dividend income	(115)	(105)
Interest expenses	22	3
Foreign exchange losses (gains)	(25)	(175)
Loss (gain) on sale and retirement of property, plant and equipment	4	1
Decrease (increase) in notes and accounts receivable - trade and contract assets	2,627	949
Decrease (increase) in inventories	316	145
Increase (decrease) in trade payables	(1,496)	(285)
Increase (decrease) in accrued consumption taxes	93	(137)
Other, net	(320)	(252)
Subtotal	3,215	1,987
Interest and dividends received	115	105
Interest paid	(23)	(4)
Income taxes paid	(1,052)	(750)
Net cash provided by (used in) operating activities	2,255	1,338
Cash flows from investing activities		
Net decrease (increase) in time deposits	(12)	2
Purchase of property, plant and equipment	(315)	(296)
Proceeds from sale of property, plant and equipment	20	0
Purchase of investment securities	(53)	(3)
Other, net	(0)	(4)
Net cash provided by (used in) investing activities	(362)	(301)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	623	623
Repayments of long-term borrowings	-	(250)
Repayments of lease liabilities	(70)	(81)
Dividends paid	(409)	(398)
Net decrease (increase) in treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	142	(107)
Effect of exchange rate change on cash and cash equivalents	79	350
Net increase (decrease) in cash and cash equivalents	2,114	1,280
Cash and cash equivalents at beginning of period	8,310	8,277
Cash and cash equivalents at end of period	10,425	9,557