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## Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

November 2, 2023

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: Satoru Maruyama

Senior Executive Officer, General Manager of Administration Headquarters

Phone: +81-52-661-5151

Scheduled date of filing quarterly securities report: November 10, 2023

Scheduled date of commencing dividend payments: November 27, 2023

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

## 1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

## (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                         | %     |
| Six months ended September 30, 2023 | 24,751          | 4.9 | 1,810            | 78.0   | 2,195           | 48.4  | 1,637                                   | 52.0  |
| September 30, 2022                  | 23,602          | 4.6 | 1,017            | (20.8) | 1,479           | (0.1) | 1,077                                   | (3.8) |

(Note) Comprehensive income: Six months ended September 30, 2023: ¥ 2,790 million [ 88.0%]  
Six months ended September 30, 2022: ¥ 1,484 million [ 162.9%]

|                    | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Six months ended   | Yen                      | Yen                        |
| September 30, 2023 | 106.83                   | 106.77                     |
| September 30, 2022 | 70.19                    | 70.13                      |

## (2) Consolidated Financial Position

|                    | Total assets    | Net assets      | Capital adequacy ratio |
|--------------------|-----------------|-----------------|------------------------|
| As of              | Millions of yen | Millions of yen | %                      |
| September 30, 2023 | 56,430          | 40,762          | 72.2                   |
| March 31, 2023     | 56,318          | 38,399          | 68.2                   |

(Reference) Equity: As of September 30, 2023: ¥ 40,754 million  
As of March 31, 2023: ¥ 38,389 million

## 2. Dividends

|   | Annual dividends   |                    |                    |          |       |
|---|--------------------|--------------------|--------------------|----------|-------|
|   | 1st<br>quarter-end | 2nd<br>quarter-end | 3rd<br>quarter-end | Year-end | Total |
|   | Yen                | Yen                | Yen                | Yen      | Yen   |
| Fiscal year ended March 31, 2023                | -                  | 21.00              | -                  | 34.00    | 55.00 |
| Fiscal year ending March 31, 2024               | -                  | 31.00              |                    |          |       |
| Fiscal year ending March 31, 2024<br>(Forecast) |                    |                    | -                  | 31.00    | 62.00 |

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2024 :

|                        |       |
|------------------------|-------|
| Commemorative dividend | - yen |
| Special dividend       | - yen |

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

|           | Net sales       |     | Operating profit |     | Ordinary profit |     | Profit attributable to<br>owners of parent |     | Basic earnings<br>per share |
|-----------|-----------------|-----|------------------|-----|-----------------|-----|--|-----|-----------------------------|
|           | Millions of yen | %   | Millions of yen  | %   | Millions of yen | %   | Millions of yen                            | %   | Yen                         |
| Full year | 51,720          | 3.1 | 4,030            | 1.2 | 4,740           | 1.8 | 3,470                                      | 0.3 | 225.98                      |

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

\* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2023

(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: No

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, 2023: 15,420,000 shares

March 31, 2023: 15,420,000 shares

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

September 30, 2023: 64,916 shares

March 31, 2023: 126,216 shares

3) Average number of shares outstanding during the period:

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

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

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

|  | As of March 31, 2023 | As of September 30, 2023 |
|--|----------------------|--------------------------|
| <b>Assets</b>  |                      |                          |
| Current assets   |                      |                          |
| Cash and deposits  | 11,305               | 10,436                   |
| Notes and accounts receivable - trade, and contract assets | 13,947               | 12,895                   |
| Finished goods   | 1,556                | 1,121                    |
| Work in process  | 9,098                | 10,534                   |
| Raw materials and supplies                                 | 333                  | 220                      |
| Other  | 569                  | 540                      |
| Allowance for doubtful accounts                            | (7)                  | (6)                      |
| Total current assets                                       | 36,803               | 35,743                   |
| Non-current assets   |                      |                          |
| Property, plant and equipment                              | 7,860                | 8,112                    |
| Intangible assets  | 72                   | 60                       |
| Investments and other assets                               |                      |                          |
| Investment securities                                      | 6,848                | 8,090                    |
| Other  | 4,738                | 4,430                    |
| Allowance for doubtful accounts                            | (4)                  | (6)                      |
| Total investments and other assets                         | 11,582               | 12,513                   |
| Total non-current assets                                   | 19,515               | 20,686                   |
| Total assets   | 56,318               | 56,430                   |
| <b>Liabilities</b>   |                      |                          |
| Current liabilities  |                      |                          |
| Notes and accounts payable - trade                         | 7,798                | 6,075                    |
| Short-term borrowings                                      | 851                  | 851                      |
| Income taxes payable                                       | 972                  | 490                      |
| Provision for bonuses for directors (and other officers)   | 50                   | 28                       |
| Other  | 2,457                | 2,537                    |
| Total current liabilities                                  | 12,131               | 9,983                    |
| Non-current liabilities                                    |                      |                          |
| Long-term borrowings                                       | 34                   | 34                       |
| Retirement benefit liability                               | 5,479                | 5,419                    |
| Asset retirement obligations                               | 6                    | 6                        |
| Other  | 268                  | 224                      |
| Total non-current liabilities                              | 5,788                | 5,684                    |
| Total liabilities  | 17,919               | 15,668                   |

(Millions of yen)

|   | As of March 31, 2023 | As of September 30, 2023 |
|---|----------------------|--------------------------|
| Net assets  |                      |                          |
| Shareholders' equity                                  |                      |                          |
| Share capital   | 3,218                | 3,218                    |
| Capital surplus                                       | 311                  | 311                      |
| Retained earnings                                     | 32,132               | 33,247                   |
| Treasury shares                                       | (198)                | (102)                    |
| Total shareholders' equity                            | 35,463               | 36,675                   |
| Accumulated other comprehensive income                |                      |                          |
| Valuation difference on available-for-sale securities | 2,053                | 2,967                    |
| Foreign currency translation adjustment               | 411                  | 648                      |
| Remeasurements of defined benefit plans               | 461                  | 463                      |
| Total accumulated other comprehensive income          | 2,925                | 4,079                    |
| Share acquisition rights                              | 9                    | 7                        |
| Total net assets                                      | 38,399               | 40,762                   |
| Total liabilities and net assets                      | 56,318               | 56,430                   |

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

(Millions of yen)

|  | For the six months<br>ended September 30, 2022 | For the six months<br>ended September 30, 2023 |
|--|--|--|
| Net sales                                    | 23,602   | 24,751   |
| Cost of sales                                | 18,405   | 18,783   |
| Gross profit                                 | 5,197  | 5,968  |
| Selling, general and administrative expenses | 4,180  | 4,157  |
| Operating profit                             | 1,017  | 1,810  |
| Non-operating income                         |  |  |
| Dividend income                              | 105  | 142  |
| Foreign exchange gains                       | 307  | 184  |
| Other  | 70   | 82   |
| Total non-operating income                   | 483  | 409  |
| Non-operating expenses                       |  |  |
| Interest expenses                            | 3  | 2  |
| Rental expenses on real estate               | 5  | 5  |
| Other  | 12   | 16   |
| Total non-operating expenses                 | 21   | 24   |
| Ordinary profit                              | 1,479  | 2,195  |
| Profit before income taxes                   | 1,479  | 2,195  |
| Income taxes - current                       | 302  | 516  |
| Income taxes - deferred                      | 99   | 42   |
| Total income taxes                           | 402  | 558  |
| Profit                                       | 1,077  | 1,637  |
| Profit attributable to owners of parent      | 1,077  | 1,637  |

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

(Millions of yen)

|   | For the six months<br>ended September 30, 2022 | For the six months<br>ended September 30, 2023 |
|---|--|--|
| Profit  | 1,077  | 1,637  |
| Other comprehensive income                            |  |  |
| Valuation difference on available-for-sale securities | (20)   | 914  |
| Foreign currency translation adjustment               | 426  | 236  |
| Remeasurements of defined benefit plans, net of tax   | 1  | 2  |
| Total other comprehensive income                      | 407  | 1,153  |
| Comprehensive income                                  | 1,484  | 2,790  |
| Comprehensive income attributable to                  |  |  |
| Comprehensive income attributable to owners of parent | 1,484  | 2,790  |

## Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

|  | For the six months<br>ended September 30, 2022 | For the six months<br>ended September 30, 2023 |
|--|--|--|
| <b>Cash flows from operating activities</b>                                      |  |  |
| Profit before income taxes   | 1,479  | 2,195  |
| Depreciation   | 486  | 518  |
| Increase (decrease) in provision for bonuses for directors (and other officers)  | (28)   | (22)   |
| Increase (decrease) in allowance for doubtful accounts                           | (0)  | 1  |
| Decrease (increase) in retirement benefit asset                                  | (79)   | (70)   |
| Increase (decrease) in retirement benefit liability                              | (13)   | (33)   |
| Interest and dividend income   | (105)  | (149)  |
| Interest expenses  | 3  | 2  |
| Foreign exchange losses (gains)  | (175)  | (143)  |
| Loss (gain) on sale and retirement of property, plant and equipment              | 1  | (1)  |
| Decrease (increase) in notes and accounts receivable - trade and contract assets | 949  | 1,059  |
| Decrease (increase) in inventories   | 145  | (830)  |
| Increase (decrease) in trade payables  | (285)  | (1,737)  |
| Increase (decrease) in accrued consumption taxes                                 | (137)  | 80   |
| Other, net   | (252)  | (15)   |
| Subtotal   | 1,987  | 853  |
| Interest and dividends received  | 105  | 149  |
| Interest paid  | (4)  | (2)  |
| Income taxes paid  | (750)  | (986)  |
| Net cash provided by (used in) operating activities                              | 1,338  | 13   |
| <b>Cash flows from investing activities</b>                                      |  |  |
| Net decrease (increase) in time deposits   | 2  | (1)  |
| Purchase of property, plant and equipment  | (296)  | (541)  |
| Proceeds from sale of property, plant and equipment                              | 0  | 3  |
| Purchase of investment securities  | (3)  | (4)  |
| Other, net   | (4)  | 4  |
| Net cash provided by (used in) investing activities                              | (301)  | (539)  |
| <b>Cash flows from financing activities</b>                                      |  |  |
| Net increase (decrease) in short-term borrowings                                 | 623  | -  |
| Repayments of long-term borrowings   | (250)  | -  |
| Repayments of lease liabilities  | (81)   | (79)   |
| Dividends paid   | (398)  | (518)  |
| Net decrease (increase) in treasury shares                                       | (0)  | -  |
| Other, net   | -  | 0  |
| Net cash provided by (used in) financing activities                              | (107)  | (597)  |
| Effect of exchange rate change on cash and cash equivalents                      | 350  | 253  |
| Net increase (decrease) in cash and cash equivalents                             | 1,280  | (869)  |
| Cash and cash equivalents at beginning of period                                 | 8,277  | 8,847  |
| Cash and cash equivalents at end of period                                       | 9,557  | 7,977  |