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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

February 9, 2024

Company name: Achilles Corporation
 Stock exchange listing: Tokyo
 Code number: 5142
 URL: <https://www.achilles.jp>
 Representative: Ichiro Hikage President
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 Scheduled date of filing quarterly securities report: February 14, 2024
 Scheduled date of commencing dividend payments: -
 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 Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	59,277	(6.0)	(436)	-	28	(93.0)	(7,637)	-
December 31, 2022	63,050	12.9	(49)	-	409	(71.7)	78	(91.1)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ (6,168) million [-%]
 Nine months ended December 31, 2022: ¥ 2,115 million [81.0%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	(518.07)	-
December 31, 2022	5.06	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2023	80,874	38,460	47.6	2,662.90
March 31, 2023	86,220	46,206	53.6	3,058.80

(Reference) Equity: As of December 31, 2023: ¥ 38,460 million
 As of March 31, 2023: ¥ 46,206 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, 2023	-	0.00	-	40.00	40.00
Fiscal year ending March 31, 2024	-	0.00	-	-	-
Fiscal year ending March 31, 2024 (Forecast)	-	-	-	20.00	20.00

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

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 owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	78,000	(5.9)	(1,300)	-	(700)	-	(8,300)	-	(565.84)

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

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023: No

(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):

December 31, 2023: 15,362,714 shares

March 31, 2023: 15,362,714 shares

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

December 31, 2023: 919,609 shares

March 31, 2023: 256,655 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 14,742,859 shares

Nine months ended December 31, 2022: 15,475,034 shares

* The current quarterly financial results are not subject to quarterly review procedures by certified public accountants or an auditing firm.

* Explanation relating to the appropriate use of forecasts of business results and other items of note

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable.

Actual results may differ from projections due to various factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	6,887	6,366
Notes receivable - trade	2,909	2,557
Electronically recorded monetary claims - operating	5,884	6,656
Accounts receivable - trade	14,909	13,744
Merchandise and finished goods	10,913	11,489
Work in process	1,915	2,179
Raw materials and supplies	3,954	4,689
Other	1,841	1,627
Allowance for doubtful accounts	(34)	(45)
Total current assets	49,181	49,265
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,685	10,086
Machinery, equipment and vehicles, net	7,092	5,864
Land	4,166	4,172
Construction in progress	1,799	561
Other, net	1,427	1,412
Total property, plant and equipment	26,171	22,096
Intangible assets	393	398
Investments and other assets		
Investment securities	2,599	3,060
Retirement benefit asset	5,299	5,112
Deferred tax assets	1,757	96
Other	869	897
Allowance for doubtful accounts	(52)	(52)
Total investments and other assets	10,474	9,114
Total non-current assets	37,039	31,608
Total assets	86,220	80,874

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,065	12,814
Electronically recorded obligations - operating	3,353	3,289
Short-term borrowings	3,600	4,400
Accounts payable - other	2,266	1,849
Income taxes payable	244	134
Other	3,982	3,542
Total current liabilities	27,512	26,030
Non-current liabilities		
Long-term borrowings	7,500	10,250
Deferred tax liabilities	502	1,507
Retirement benefit liability	4,056	4,167
Asset retirement obligations	369	370
Provision for PCB waste disposal expenses	38	23
Other	34	63
Total non-current liabilities	12,502	16,382
Total liabilities	40,014	42,413
Net assets		
Shareholders' equity		
Share capital	14,640	14,640
Capital surplus	4,097	4,097
Retained earnings	23,073	14,831
Treasury shares	(373)	(1,346)
Total shareholders' equity	41,439	32,224
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	281	487
Deferred gains or losses on hedges	(66)	(10)
Foreign currency translation adjustment	2,279	3,717
Remeasurements of defined benefit plans	2,271	2,041
Total accumulated other comprehensive income	4,766	6,236
Total net assets	46,206	38,460
Total liabilities and net assets	86,220	80,874

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	63,050	59,277
Cost of sales	51,296	48,205
Gross profit	11,753	11,071
Selling, general and administrative expenses		
Transportation and storage costs	4,808	4,372
Advertising and promotion expenses	554	565
Provision of allowance for doubtful accounts	(26)	11
Salaries and allowances and welfare expenses	4,208	4,107
Retirement benefit expenses	4	7
Travel, transportation and communication expenses	309	361
Depreciation	306	425
Other	1,638	1,658
Total selling, general and administrative expenses	11,803	11,508
Operating loss	(49)	(436)
Non-operating income		
Interest income	19	15
Dividend income	38	37
Share of profit of entities accounted for using equity method	98	159
Foreign exchange gains	137	133
Rental income from real estate	68	59
Other	198	174
Total non-operating income	559	580
Non-operating expenses		
Interest expenses	34	55
Compensation expenses	18	27
Other	47	32
Total non-operating expenses	101	115
Ordinary profit	409	28
Extraordinary income		
Gain on sale of non-current assets	6	486
Gain on sale of investment securities	4	-
Subsidy income	91	-
Total extraordinary income	101	486
Extraordinary losses		
Loss on sale of non-current assets	0	-
Impairment losses	-	4,973
Loss on retirement of non-current assets	79	71
Total extraordinary losses	79	5,044
Profit (loss) before income taxes	431	(4,529)
Income taxes - current	264	379
Income taxes - deferred	88	2,729
Total income taxes	352	3,108
Profit (loss)	78	(7,637)
Profit attributable to non-controlling interests	-	-
Profit (loss) attributable to owners of parent	78	(7,637)

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

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit (loss)	78	(7,637)
Other comprehensive income		
Valuation difference on available-for-sale securities	38	205
Deferred gains or losses on hedges	(124)	55
Foreign currency translation adjustment	2,214	1,323
Remeasurements of defined benefit plans, net of tax	(290)	(230)
Share of other comprehensive income of entities accounted for using equity method	199	114
Total other comprehensive income	2,036	1,469
Comprehensive income	2,115	(6,168)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,115	(6,168)
Comprehensive income attributable to non-controlling interests	-	-