

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



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

November 11, 2022

Company name: Achilles Corporation

Stock exchange listing: Tokyo

Code number: 5142

URL: <https://www.achilles.jp>

Representative: Ichiro Hikage President

Contact: Kazuaki Kouno Director

Phone: 03-5338-8238

Scheduled date of filing quarterly securities report: November 14, 2022

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 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	40,800	12.0	(102)	-	489	(42.8)	166	(67.7)
September 30, 2021	36,431	-	608	-	855	-	515	-

(Note) Comprehensive income: Six months ended September 30, 2022: ¥ 2,064 million [110.2%]
Six months ended September 30, 2021: ¥ 982 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	10.73	-
September 30, 2021	32.83	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2022	87,547	48,844	55.8	3,169.76
March 31, 2022	80,123	47,728	59.6	3,049.81

(Reference) Equity: As of September 30, 2022: ¥ 48,844 million
As of March 31, 2022: ¥ 47,728 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	-	0.00	-	40.00	40.00
Fiscal year ending March 31, 2023	-	0.00			
Fiscal year ending March 31, 2023 (Forecast)			-	40.00	40.00

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

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	86,000	13.2	100	(88.3)	800	(49.8)	200	(86.9)	12.92

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

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

September 30, 2022: 15,862,714 shares

March 31, 2022: 15,862,714 shares

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

September 30, 2022: 453,237 shares

March 31, 2022: 213,100 shares

3) Average number of shares during the period:

Six months ended September 30, 2022: 15,543,226 shares

Six months ended September 30, 2021: 15,708,172 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

(Million yen)

	As of March 31,2022	As of September 30,2022
Assets		
Current assets		
Cash and deposits	7,590	9,560
Notes receivable - trade	3,454	2,923
Electronically recorded monetary claims - operating	4,591	4,963
Accounts receivable - trade	13,864	14,794
Merchandise and finished goods	9,271	10,527
Work in process	1,690	1,862
Raw materials and supplies	2,530	3,308
Other	1,485	2,066
Allowance for doubtful accounts	(50)	(26)
Total current assets	44,428	49,979
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,536	12,165
Machinery, equipment and vehicles, net	5,655	5,672
Land	4,157	4,168
Construction in progress	2,680	3,906
Other, net	1,468	1,587
Total property, plant and equipment	25,499	27,501
Intangible assets	400	445
Investments and other assets		
Investment securities	2,863	2,798
Retirement benefit asset	4,908	4,800
Deferred tax assets	1,290	1,290
Other	784	782
Allowance for doubtful accounts	(51)	(51)
Total investments and other assets	9,795	9,621
Total non-current assets	35,694	37,567
Total assets	80,123	87,547

(Million yen)

	As of March 31,2022	As of September 30,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,551	13,930
Electronically recorded obligations - operating	2,902	3,087
Short-term borrowings	2,200	2,900
Accounts payable - other	2,387	2,430
Income taxes payable	405	209
Asset retirement obligations	33	19
Other	3,926	3,556
Total current liabilities	24,406	26,133
Non-current liabilities		
Long-term borrowings	3,000	7,500
Deferred tax liabilities	448	488
Retirement benefit liability	4,085	4,129
Asset retirement obligations	370	369
Provision for PCB waste disposal expenses	39	39
Other	44	43
Total non-current liabilities	7,988	12,569
Total liabilities	32,395	38,703
Net assets		
Shareholders' equity		
Share capital	14,640	14,640
Capital surplus	4,838	4,838
Retained earnings	24,904	24,445
Treasury shares	(386)	(709)
Total shareholders' equity	43,997	43,215
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	408	376
Deferred gains or losses on hedges	5	142
Foreign currency translation adjustment	1,087	3,075
Remeasurements of defined benefit plans	2,229	2,035
Total accumulated other comprehensive income	3,731	5,629
Total net assets	47,728	48,844
Total liabilities and net assets	80,123	87,547

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	36,431	40,800
Cost of sales	28,630	33,090
Gross profit	7,801	7,709
Selling, general and administrative expenses		
Transportation and storage costs	2,821	3,117
Advertising and promotion expenses	328	393
Provision of allowance for doubtful accounts	35	(24)
Salaries and allowances and welfare expenses	2,728	2,813
Retirement benefit expenses	16	3
Travel, transportation and communication expenses	148	214
Depreciation	101	205
Other	1,012	1,088
Total selling, general and administrative expenses	7,193	7,812
Operating profit (loss)	608	(102)
Non-operating income		
Interest income	14	11
Dividend income	24	21
Share of profit of entities accounted for using equity method	87	57
Foreign exchange gains	34	373
Rental income from real estate	45	45
Other	116	134
Total non-operating income	324	644
Non-operating expenses		
Interest expenses	12	19
Compensation expenses	43	8
Other	21	24
Total non-operating expenses	76	52
Ordinary profit	855	489
Extraordinary income		
Gain on sale of non-current assets	0	5
Gain on sale of investment securities	-	4
Subsidy income	77	-
Total extraordinary income	77	9
Extraordinary losses		
Loss on retirement of non-current assets	94	51
Total extraordinary losses	94	51
Profit before income taxes	838	447
Income taxes - current	205	212
Income taxes - deferred	117	68
Total income taxes	323	280
Profit	515	166
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	515	166

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	515	166
Other comprehensive income		
Valuation difference on available-for-sale securities	(96)	(32)
Deferred gains or losses on hedges	(51)	136
Foreign currency translation adjustment	717	1,802
Remeasurements of defined benefit plans, net of tax	(194)	(194)
Share of other comprehensive income of entities accounted for using equity method	90	184
Total other comprehensive income	466	1,897
Comprehensive income	982	2,064
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	982	2,064
Comprehensive income attributable to non-controlling interests	-	-

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	838	447
Depreciation	1,499	1,581
Increase (decrease) in allowance for doubtful accounts	33	(24)
Interest and dividend income	(39)	(33)
Interest expenses	12	19
Foreign exchange losses (gains)	(20)	(102)
Share of loss (profit) of entities accounted for using equity method	(87)	(57)
Loss (gain) on sale and retirement of non-current assets	93	45
Loss (gain) on sale of investment securities	-	(4)
Subsidy income	(77)	-
Decrease (increase) in trade receivables	1,356	(434)
Decrease (increase) in inventories	(578)	(1,782)
Increase (decrease) in trade payables	890	1,311
Increase (decrease) in accrued consumption taxes	(331)	(353)
Increase (decrease) in retirement benefit liability	57	43
Decrease (increase) in other assets	222	79
Increase (decrease) in other liabilities	(483)	(550)
Subtotal	3,386	186
Interest and dividends received	257	283
Interest paid	(10)	(20)
Proceeds from insurance income	67	4
Subsidies received	77	-
Income taxes paid	(401)	(497)
Net cash provided by (used in) operating activities	3,376	(44)
Cash flows from investing activities		
Decrease (increase) in time deposits	(0)	1
Purchase of non-current assets	(2,924)	(2,809)
Proceeds from sale of non-current assets	0	6
Purchase of investment securities	(12)	(1)
Proceeds from sale of investment securities	-	10
Net cash provided by (used in) investing activities	(2,935)	(2,793)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	700
Proceeds from long-term borrowings	-	4,500
Purchase of treasury shares	(1)	(322)
Dividends paid	(785)	(625)
Net cash provided by (used in) financing activities	(787)	4,251
Effect of exchange rate change on cash and cash equivalents	345	557
Net increase (decrease) in cash and cash equivalents	(1)	1,970
Cash and cash equivalents at beginning of period	8,129	7,588
Cash and cash equivalents at end of period	8,128	9,559