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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 10, 2024

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: +81-3-5338-8238
 Scheduled date of Annual General Meeting of Shareholders: June 27, 2024
 Scheduled date of commencing dividend payments: June 28, 2024
 Scheduled date of filing annual securities report: June 27, 2024
 Availability of supplementary briefing material on annual financial results: Yes
 Schedule of annual financial results briefing session: No

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(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	%
Fiscal year ended March 31, 2024	78,607	(5.2)	(958)	-	(171)	-	(8,210)	-
March 31, 2023	82,917	9.2	(713)	-	(117)	-	(1,204)	-

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ (4,865) million [-%]
 Fiscal year ended March 31, 2023: ¥ (169) million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	(560.30)	-	(19.1)	(0.2)	(1.2)
March 31, 2023	(78.21)	-	(2.6)	(0.1)	(0.9)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ 208 million
 Fiscal year ended March 31, 2023: ¥ 150 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	82,662	39,549	47.8	2,764.61
March 31, 2023	86,220	46,206	53.6	3,058.80

(Reference) Equity: As of March 31, 2024: ¥ 39,549 million
 As of March 31, 2023: ¥ 46,206 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	1,878	(3,793)	1,758	6,851
March 31, 2023	(1,072)	(4,484)	4,547	6,886

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	-	0.00	-	40.00	40.00	604	-	1.3
March 31, 2024	-	0.00	-	20.00	20.00	286	-	0.7
Fiscal year ending March 31, 2025 (Forecast)	-	0.00	-	20.00	20.00		95.4	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% 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
Six months ending September 30, 2024	40,000	4.8	(300)	-	(150)	-	0	(100.0)	0.00
Full year	84,000	6.9	200	-	500	-	300	-	20.97

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) 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

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

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

March 31, 2024: 15,362,714 shares

March 31, 2023: 15,362,714 shares

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

March 31, 2024: 1,056,951 shares

March 31, 2023: 256,655 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 14,654,257 shares

Fiscal Year ended March 31, 2023: 15,404,112 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	60,992	(7.1)	(1,301)	-	908	-	(6,905)	-
March 31, 2023	65,643	7.5	(1,149)	-	(177)	-	(1,036)	-

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	(471.20)	-
March 31, 2023	(67.28)	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	65,825	26,668	40.5	1,864.20
March 31, 2023	72,604	35,000	48.2	2,316.99

(Reference) Equity: As of March 31, 2024: ¥ 26,668 million
As of March 31, 2023: ¥ 35,000 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

Six months ending	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
September 30, 2024	31,000	6.0	(150)	-	250	(66.8)	550	(46.6)	38.45
Full year	65,500	7.4	350	-	950	4.6	1,000	-	69.90

* The consolidated financial results are not subject to audit 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.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	6,887	6,852
Notes receivable - trade	2,909	2,427
Electronically recorded monetary claims - operating	5,884	6,518
Accounts receivable - trade	14,909	13,457
Merchandise and finished goods	10,913	9,971
Work in process	1,915	2,085
Raw materials and supplies	3,954	4,266
Other	1,841	1,753
Allowance for doubtful accounts	(34)	(52)
Total current assets	49,181	47,279
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,685	9,981
Machinery, equipment and vehicles, net	7,092	5,631
Land	4,166	4,168
Construction in progress	1,799	913
Other, net	1,427	1,344
Total property, plant and equipment	26,171	22,039
Intangible assets	393	398
Investments and other assets		
Investment securities	2,599	3,158
Retirement benefit asset	5,299	8,969
Deferred tax assets	1,757	110
Other	869	757
Allowance for doubtful accounts	(52)	(52)
Total investments and other assets	10,474	12,944
Total non-current assets	37,039	35,382
Total assets	86,220	82,662

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,065	11,731
Electronically recorded obligations - operating	3,353	3,100
Short-term borrowings	3,600	4,400
Accounts payable - other	2,266	2,003
Income taxes payable	244	258
Other	3,982	3,668
Total current liabilities	27,512	25,162
Non-current liabilities		
Long-term borrowings	7,500	10,250
Deferred tax liabilities	502	3,072
Retirement benefit liability	4,056	4,177
Asset retirement obligations	369	371
Provision for PCB waste disposal expenses	38	22
Other	34	55
Total non-current liabilities	12,502	17,949
Total liabilities	40,014	43,112
Net assets		
Shareholders' equity		
Share capital	14,640	14,640
Capital surplus	4,097	4,097
Retained earnings	23,073	14,258
Treasury shares	(373)	(1,560)
Total shareholders' equity	41,439	31,437
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	281	574
Deferred gains or losses on hedges	(66)	5
Foreign currency translation adjustment	2,279	2,860
Remeasurements of defined benefit plans	2,271	4,671
Total accumulated other comprehensive income	4,766	8,112
Total net assets	46,206	39,549
Total liabilities and net assets	86,220	82,662

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	82,917	78,607
Cost of sales	68,066	64,423
Gross profit	14,850	14,184
Selling, general and administrative expenses		
Transportation and storage costs	6,336	5,764
Advertising and promotion expenses	740	725
Provision of allowance for doubtful accounts	(15)	19
Salaries and allowances and welfare expenses	5,460	5,344
Retirement benefit expenses	10	35
Travel, transportation and communication expenses	427	492
Depreciation	433	554
Other	2,170	2,206
Total selling, general and administrative expenses	15,563	15,143
Operating loss	(713)	(958)
Non-operating income		
Interest income	19	23
Dividend income	41	41
Share of profit of entities accounted for using equity method	150	208
Foreign exchange gains	163	382
Rental income from real estate	91	76
Other	256	227
Total non-operating income	723	960
Non-operating expenses		
Interest expenses	47	67
Compensation expenses	25	40
Other	55	65
Total non-operating expenses	127	173
Ordinary loss	(117)	(171)

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of non-current assets	6	487
Gain on sale of investment securities	231	40
Subsidy income	85	-
Total extraordinary income	323	528
Extraordinary losses		
Loss on sale of non-current assets	0	-
Impairment losses	1,312	4,973
Loss on retirement of non-current assets	136	91
Loss on sale of investment securities	1	-
Total extraordinary losses	1,449	5,065
Loss before income taxes	(1,243)	(4,708)
Income taxes - current	334	408
Income taxes - deferred	(373)	3,093
Total income taxes	(38)	3,502
Loss	(1,204)	(8,210)
Profit attributable to non-controlling interests	-	-
Loss attributable to owners of parent	(1,204)	(8,210)

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Loss	(1,204)	(8,210)
Other comprehensive income		
Valuation difference on available-for-sale securities	(126)	292
Deferred gains or losses on hedges	(71)	71
Foreign currency translation adjustment	1,081	508
Remeasurements of defined benefit plans, net of tax	42	2,399
Share of other comprehensive income of entities accounted for using equity method	109	72
Total other comprehensive income	1,035	3,345
Comprehensive income	(169)	(4,865)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(169)	(4,865)
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,640	4,838	24,904	(386)	43,997
Changes during period					
Dividends of surplus			(625)		(625)
Loss attributable to owners of parent			(1,204)		(1,204)
Purchase of treasury shares				(726)	(726)
Cancellation of treasury shares		(740)		740	-
Net changes in items other than shareholders' equity					
Total changes during period	-	(740)	(1,830)	13	(2,557)
Balance at end of period	14,640	4,097	23,073	(373)	41,439

(Millions of yen)

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	408	5	1,087	2,229	3,731	47,728
Changes during period						
Dividends of surplus						(625)
Loss attributable to owners of parent						(1,204)
Purchase of treasury shares						(726)
Cancellation of treasury shares						-
Net changes in items other than shareholders' equity	(126)	(71)	1,191	42	1,035	1,035
Total changes during period	(126)	(71)	1,191	42	1,035	(1,521)
Balance at end of period	281	(66)	2,279	2,271	4,766	46,206

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,640	4,097	23,073	(373)	41,439
Changes during period					
Dividends of surplus			(604)		(604)
Loss attributable to owners of parent			(8,210)		(8,210)
Purchase of treasury shares				(1,187)	(1,187)
Cancellation of treasury shares					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(8,815)	(1,187)	(10,002)
Balance at end of period	14,640	4,097	14,258	(1,560)	31,437

(Millions of yen)

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	408	5	1,087	2,229	3,731	47,728
Changes during period						
Dividends of surplus						(625)
Loss attributable to owners of parent						(1,204)
Purchase of treasury shares						(726)
Cancellation of treasury shares						-
Net changes in items other than shareholders' equity	(126)	(71)	1,191	42	1,035	1,035
Total changes during period	(126)	(71)	1,191	42	1,035	(1,521)
Balance at end of period	281	(66)	2,279	2,271	4,766	46,206

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Loss before income taxes	(1,243)	(4,708)
Depreciation	3,329	3,428
Impairment losses	1,312	4,973
Increase (decrease) in allowance for doubtful accounts	(15)	18
Interest and dividend income	(61)	(64)
Interest expenses	47	67
Foreign exchange losses (gains)	(42)	(262)
Share of loss (profit) of entities accounted for using equity method	(150)	(208)
Loss (gain) on sale and retirement of non-current assets	129	(395)
Loss (gain) on sale of investment securities	(230)	(40)
Subsidy income	(85)	-
Decrease (increase) in trade receivables	(1,546)	1,513
Decrease (increase) in inventories	(2,967)	647
Increase (decrease) in trade payables	1,785	(2,738)
Increase (decrease) in accrued consumption taxes	(341)	545
Increase (decrease) in retirement benefit liability	(33)	116
Decrease (increase) in other assets	154	425
Increase (decrease) in other liabilities	(840)	(1,264)
Subtotal	(800)	2,053
Interest and dividends received	311	245
Interest paid	(48)	(59)
Proceeds from insurance income	5	9
Subsidies received	85	-
Income taxes paid	(625)	(369)
Net cash provided by (used in) operating activities	(1,072)	1,878
Cash flows from investing activities		
Decrease (increase) in time deposits	1	(0)
Purchase of non-current assets	(4,838)	(4,249)
Proceeds from sale of non-current assets	6	489
Purchase of investment securities	(3)	(102)
Proceeds from sale of investment securities	347	68
Proceeds from collection of loans receivable	0	0
Net cash provided by (used in) investing activities	(4,484)	(3,793)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,400	800
Proceeds from long-term borrowings	4,500	2,750
Purchase of treasury shares	(726)	(1,187)
Dividends paid	(625)	(604)
Net cash provided by (used in) financing activities	4,547	1,758
Effect of exchange rate change on cash and cash equivalents	308	120
Net increase (decrease) in cash and cash equivalents	(701)	(35)
Cash and cash equivalents at beginning of period	7,588	6,886
Cash and cash equivalents at end of period	6,886	6,851