

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

July 29, 2022

Company name: Aica Kogyo Company, Limited
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 4206 URL <https://www.aica.co.jp>
 Representative: President Kenji Ebihara
 Inquiries: General Manager, Financial Management Department Yousuke Mori TEL 052-533-3135
 Scheduled date to file Quarterly Securities Report: August 5, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2022	55,620	22.3	4,164	1.1	4,592	3.4	2,860	8.1
Three months ended June 30, 2021	45,487	21.7	4,120	63.7	4,441	47.8	2,645	73.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	44.72		44.71	
Three months ended June 30, 2021	40.52		40.51	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	252,658	162,610	56.9
As of March 31, 2022	240,388	162,734	60.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	50.00	–	58.00	108.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		50.00	–	59.00	109.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	112,000	13.5	9,500	0.8	9,700	(4.5)	6,000	(4.2)	93.81
Full year	232,000	8.2	21,500	5.7	22,000	0.7	13,300	1.4	207.95

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
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| Changes in accounting policies due to revisions to accounting standards and other regulations: | Yes |
| Changes in accounting policies due to other reasons: | No |
| Changes in accounting estimates: | No |
| Restatement of prior period financial statements: | No |

(4) Number of issued shares (common shares)

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

As of June 30, 2022	67,590,664 shares	As of March 31, 2022	67,590,664 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	3,632,501 shares	As of March 31, 2022	2,292,410 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	63,958,193 shares	Three months ended June 30, 2021	65,293,174 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	47,178	53,570
Notes receivable - trade	19,365	20,167
Accounts receivable - trade	50,107	48,439
Merchandise and finished goods	13,689	15,865
Work in process	1,397	1,883
Raw materials and supplies	13,463	13,912
Other	7,262	8,656
Allowance for doubtful accounts	(757)	(981)
Total current assets	151,706	161,513
Non-current assets		
Property, plant and equipment	57,090	59,638
Intangible assets		
Goodwill	4,799	4,823
Other	9,441	9,607
Total intangible assets	14,241	14,431
Investments and other assets		
Other	17,351	17,076
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	17,350	17,074
Total non-current assets	88,682	91,144
Total assets	240,388	252,658
Liabilities		
Current liabilities		
Notes and accounts payable - trade	31,451	30,191
Electronically recorded obligations - operating	5,284	5,689
Short-term borrowings	14,462	9,504
Income taxes payable	3,306	1,596
Provision for bonuses	2,035	2,585
buy-sell transaction liabilities	2,056	2,076
Other	7,729	8,228
Total current liabilities	66,327	59,871
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	–	18,085
Long-term borrowings	2,173	2,464
Retirement benefit liability	1,585	1,664
Other	7,567	7,961
Total non-current liabilities	11,326	30,176
Total liabilities	77,654	90,048

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Net assets		
Shareholders' equity		
Share capital	9,891	9,891
Capital surplus	13,294	13,168
Retained earnings	116,626	115,697
Treasury shares	(2,150)	(6,150)
Total shareholders' equity	137,663	132,607
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,979	3,769
Deferred gains or losses on hedges	11	(1)
Foreign currency translation adjustment	3,353	7,285
Remeasurements of defined benefit plans	214	199
Total accumulated other comprehensive income	7,558	11,253
Share acquisition rights	23	23
Non-controlling interests	17,489	18,725
Total net assets	162,734	162,610
Total liabilities and net assets	240,388	252,658

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	45,487	55,620
Cost of sales	33,541	42,801
Gross profit	11,945	12,819
Selling, general and administrative expenses	7,824	8,655
Operating profit	4,120	4,164
Non-operating income		
Interest income	45	39
Dividend income	144	172
Foreign exchange gains	41	205
Other	208	248
Total non-operating income	439	666
Non-operating expenses		
Interest expenses	51	60
Other	66	177
Total non-operating expenses	118	238
Ordinary profit	4,441	4,592
Profit before income taxes	4,441	4,592
Income taxes - current	1,641	1,475
Income taxes - deferred	(144)	42
Total income taxes	1,496	1,518
Profit	2,944	3,074
Profit attributable to non-controlling interests	298	213
Profit attributable to owners of parent	2,645	2,860

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	2,944	3,074
Other comprehensive income		
Valuation difference on available-for-sale securities	(111)	(209)
Deferred gains or losses on hedges	(1)	(12)
Foreign currency translation adjustment	3,329	4,948
Remeasurements of defined benefit plans, net of tax	321	(14)
Share of other comprehensive income of entities accounted for using equity method	(3)	5
Total other comprehensive income	3,535	4,717
Comprehensive income	6,479	7,791
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,339	6,555
Comprehensive income attributable to non-controlling interests	1,139	1,236