

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

October 30, 2024

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 Semi-annual Securities Report: November 11, 2024
 Scheduled date to commence dividend payments: December 3, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(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	%
Six months ended September 30, 2024	120,140	6.0	13,147	15.3	14,230	18.1	8,855	12.7
Six months ended September 30, 2023	113,307	(3.7)	11,406	20.9	12,047	17.0	7,856	22.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	138.44		138.40	
Six months ended September 30, 2023	122.82		122.78	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	283,665	188,298	60.9
As of March 31, 2024	274,739	176,543	58.9

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, 2024	–	52.00	–	60.00	112.00
Year ending March 31, 2025	–	56.00			
Year ending March 31, 2025 (Forecast)			–	60.00	116.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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
Full year	250,000	5.7	27,200	7.6	28,300	8.3	16,200	7.0	253.24

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

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 September 30, 2024	67,590,664 shares	As of March 31, 2024	67,590,664 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	3,619,601 shares	As of March 31, 2024	3,619,653 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	63,971,040 shares	Six months ended September 30, 2023	63,967,252 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	62,022	62,592
Notes receivable - trade	23,449	19,227
Accounts receivable - trade	48,824	50,133
Merchandise and finished goods	16,010	17,289
Work in process	1,816	1,940
Raw materials and supplies	13,897	14,723
Other	7,563	10,960
Allowance for doubtful accounts	(962)	(825)
Total current assets	172,621	176,041
Non-current assets		
Property, plant and equipment	67,006	72,273
Intangible assets		
Goodwill	2,782	2,657
Other	8,653	9,057
Total intangible assets	11,436	11,714
Investments and other assets		
Other	23,676	23,637
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	23,675	23,636
Total non-current assets	102,117	107,624
Total assets	274,739	283,665
Liabilities		
Current liabilities		
Notes and accounts payable - trade	31,447	30,729
Electronically recorded obligations - operating	4,516	2,908
Short-term borrowings	6,025	6,544
Income taxes payable	4,760	3,783
Provision for bonuses	2,854	2,116
buy-sell transaction liabilities	2,333	2,386
Other	10,884	10,666
Total current liabilities	62,822	59,134
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	18,054	18,045
Long-term borrowings	4,465	4,445
Retirement benefit liability	1,878	1,965
Other	10,975	11,776
Total non-current liabilities	35,373	36,232
Total liabilities	98,195	95,367

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	9,891	9,891
Capital surplus	8,545	7,478
Retained earnings	127,725	132,739
Treasury shares	(6,129)	(6,129)
Total shareholders' equity	140,033	143,980
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,999	7,921
Deferred gains or losses on hedges	3	0
Foreign currency translation adjustment	13,470	20,598
Remeasurements of defined benefit plans	280	297
Total accumulated other comprehensive income	21,753	28,818
Share acquisition rights	19	19
Non-controlling interests	14,736	15,479
Total net assets	176,543	188,298
Total liabilities and net assets	274,739	283,665

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	113,307	120,140
Cost of sales	83,511	87,885
Gross profit	29,796	32,254
Selling, general and administrative expenses	18,390	19,107
Operating profit	11,406	13,147
Non-operating income		
Interest income	232	309
Dividend income	212	254
Other	549	970
Total non-operating income	995	1,534
Non-operating expenses		
Interest expenses	110	137
Loss on disposal of non-current assets	93	44
Other	151	269
Total non-operating expenses	354	451
Ordinary income	12,047	14,230
Extraordinary income		
Gain on bargain purchase	466	–
Total extraordinary income	466	–
Profit before income taxes	12,513	14,230
Income taxes - current	3,869	3,793
Income taxes - deferred	153	723
Total income taxes	4,023	4,517
Profit	8,490	9,712
Profit attributable to non-controlling interests	633	856
Profit attributable to owners of parent	7,856	8,855

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	8,490	9,712
Other comprehensive income		
Valuation difference on available-for-sale securities	2,185	(78)
Deferred gains or losses on hedges	10	(2)
Foreign currency translation adjustment	5,911	8,443
Remeasurements of defined benefit plans, net of tax	(20)	19
Share of other comprehensive income of entities accounted for using equity method	(80)	(3)
Total other comprehensive income	8,006	8,377
Comprehensive income	16,496	18,090
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,677	15,920
Comprehensive income attributable to non-controlling interests	1,818	2,169

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	12,513	14,230
Depreciation	3,277	3,768
Gain on bargain purchase	(466)	–
Increase (decrease) in allowance for doubtful accounts	326	(193)
Increase (decrease) in provision for bonuses	(231)	(792)
Increase (decrease) in retirement benefit liability	31	15
Interest and dividend income	(445)	(563)
Interest expenses	110	137
Decrease (increase) in trade receivables	3,176	4,784
Decrease (increase) in inventories	1,010	(834)
Decrease (increase) in other current assets	(490)	(129)
Increase (decrease) in trade payables	273	(3,548)
Increase (decrease) in other current liabilities	155	(868)
Other, net	418	(273)
Subtotal	19,659	15,732
Interest and dividends received	482	594
Interest paid	(94)	(134)
Income taxes paid	(4,417)	(4,704)
Net cash provided by (used in) operating activities	15,630	11,487
Cash flows from investing activities		
Payments into time deposits	–	(45)
Proceeds from withdrawal of time deposits	1,536	618
Purchase of property, plant and equipment	(2,843)	(3,586)
Purchase of intangible assets	(213)	(443)
Purchase of securities	(999)	(1,999)
Proceeds from sale of securities	1,399	–
Purchase of investment securities	(16)	(206)
Proceeds from sale of investment securities	1	200
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(53)	–
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	265	–
Other, net	(260)	(571)
Net cash provided by (used in) investing activities	(1,184)	(6,033)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(546)	14
Repayments of long-term borrowings	(721)	(1,030)
Proceeds from long-term borrowings	303	476
Dividends paid	(3,776)	(3,842)
Dividends paid to non-controlling interests	(706)	(362)
Repayments of lease liabilities	(205)	(234)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(2,132)
Purchase of treasury shares	(1)	(0)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(5,655)	(7,112)
Effect of exchange rate change on cash and cash equivalents	1,755	2,679
Net increase (decrease) in cash and cash equivalents	10,546	1,021
Cash and cash equivalents at beginning of period	47,943	59,637
Cash and cash equivalents at end of period	58,490	60,658