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

February 9, 2024

Company name: RHEON AUTOMATIC MACHINERY CO., LTD.

Stock exchange listing: Tokyo

Code number: 6272

URL: <https://www.rheon.com>

Representative: Mikio Kobayashi

President & C.E.O.

Contact: Tadao Fukuda

Managing Operating Officer

Phone: +81-28-665-1111

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: No

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	27,191	2.8	3,428	62.6	3,522	60.4	2,841	54.6
December 31, 2022	26,447	34.3	2,108	87.3	2,196	68.6	1,838	47.2

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 3,669 million [41.2%]
 Nine months ended December 31, 2022: ¥ 2,599 million [78.4%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	105.91	105.72
December 31, 2022	68.58	68.41

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2023	43,405	34,024	78.3	1,265.47
March 31, 2023	40,212	31,384	77.9	1,167.80

(Reference) Equity: As of December 31, 2023: ¥ 33,976 million
 As of March 31, 2023: ¥ 31,305 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	-	12.00	-	19.00	31.00
Fiscal year ending March 31, 2024	-	20.00	-		
Fiscal year ending March 31, 2024 (Forecast)				20.00	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, 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	37,010	4.9	4,580	52.3	4,740	47.7	3,600	31.5	134.22

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

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): 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: 28,392,000 shares

March 31, 2023: 28,392,000 shares

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

December 31, 2023: 1,543,415 shares

March 31, 2023: 1,584,469 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 26,829,838 shares

Nine months ended December 31, 2022: 26,807,305 shares

Quarterly Consolidated Financial Statements
 Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	11,440,477	12,109,938
Notes and accounts receivable - trade	3,234,012	3,685,414
Merchandise and finished goods	5,339,139	6,160,446
Work in process	1,632,710	1,983,275
Raw materials and supplies	401,263	430,810
Other	637,868	756,660
Allowance for doubtful accounts	(21,490)	(29,866)
Total current assets	22,663,980	25,096,679
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,073,737	16,435,647
Accumulated depreciation	(8,720,808)	(9,133,308)
Buildings and structures, net	7,352,928	7,302,339
Machinery, equipment and vehicles	9,366,488	10,073,150
Accumulated depreciation	(7,855,260)	(8,570,398)
Machinery, equipment and vehicles, net	1,511,228	1,502,752
Tools, furniture and fixtures	2,031,752	2,082,530
Accumulated depreciation	(1,874,688)	(1,879,881)
Tools, furniture and fixtures, net	157,064	202,649
Land	3,976,623	4,030,861
Leased assets	8,741	14,171
Accumulated depreciation	(2,331)	(4,385)
Leased assets, net	6,410	9,786
Construction in progress	482,361	864,706
Total property, plant and equipment	13,486,616	13,913,095
Intangible assets	1,176,670	1,234,495
Investments and other assets		
Investment securities	1,241,474	1,498,480
Retirement benefit asset	1,350,370	1,401,726
Other	297,672	269,821
Allowance for doubtful accounts	(4,109)	(8,779)
Total investments and other assets	2,885,407	3,161,249
Total non-current assets	17,548,694	18,308,840
Total assets	40,212,675	43,405,519

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,195,475	1,368,591
Short-term borrowings	794,722	1,004,722
Lease liabilities	1,999	3,093
Accrued expenses	610,501	650,100
Income taxes payable	381,540	204,512
Advances received	2,295,474	2,926,446
Provision for bonuses	762,834	373,063
Provision for bonuses for directors (and other officers)	16,800	21,970
Accounts payable - other	683,952	885,853
Other	205,561	269,506
Total current liabilities	6,948,863	7,707,861
Non-current liabilities		
Long-term borrowings	1,138,204	984,662
Lease liabilities	5,051	7,720
Deferred tax liabilities	341,304	286,828
Deferred tax liabilities for land revaluation	347,009	347,009
Asset retirement obligations	36,294	36,321
Other	11,158	11,055
Total non-current liabilities	1,879,023	1,673,597
Total liabilities	8,827,886	9,381,459
Net assets		
Shareholders' equity		
Share capital	7,351,750	7,351,750
Capital surplus	7,078,397	7,105,902
Retained earnings	17,780,924	19,576,171
Treasury shares	(770,280)	(750,802)
Total shareholders' equity	31,440,791	33,283,021
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	544,701	740,500
Revaluation reserve for land	(1,692,816)	(1,692,816)
Foreign currency translation adjustment	943,612	1,558,332
Remeasurements of defined benefit plans	69,528	87,110
Total accumulated other comprehensive income	(134,974)	693,126
Share acquisition rights	78,971	47,911
Total net assets	31,384,788	34,024,060
Total liabilities and net assets	40,212,675	43,405,519

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

(Thousands of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	26,447,524	27,191,365
Cost of sales	15,731,701	14,878,229
Gross profit	10,715,822	12,313,135
Selling, general and administrative expenses		
Advertising expenses	253,388	286,902
Packing and transportation costs	1,611,939	1,237,319
Provision of allowance for doubtful accounts	(861)	9,456
Sales commission	642,080	679,749
Salaries and allowances	2,607,428	2,757,537
Provision for bonuses	204,663	212,652
Provision for bonuses for directors (and other officers)	12,600	21,970
Retirement benefit expenses	112,406	114,139
Travel and transportation expenses	306,532	378,509
Depreciation	401,574	420,916
Research and development expenses	529,309	544,447
Other	1,925,881	2,221,039
Total selling, general and administrative expenses	8,606,942	8,884,641
Operating profit	2,108,879	3,428,494
Non-operating income		
Interest income	4,718	13,990
Dividend income	21,064	26,065
Gain on sale of goods	14,593	12,000
Foreign exchange gains	4,907	13,098
Surrender value of insurance policies	2,459	5,171
Sold power	17,199	16,851
Other	46,923	39,398
Total non-operating income	111,864	126,576
Non-operating expenses		
Interest expenses	9,757	8,536
Sold power expenses	6,547	6,192
Loss on retirement of non-current assets	1,853	15,606
Other	6,054	2,071
Total non-operating expenses	24,213	32,406
Ordinary profit	2,196,530	3,522,663
Profit before income taxes	2,196,530	3,522,663
Income taxes - current	352,577	796,339
Income taxes - deferred	5,571	(115,240)
Total income taxes	358,149	681,099
Profit	1,838,381	2,841,564
Profit attributable to owners of parent	1,838,381	2,841,564

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

(Thousands of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	1,838,381	2,841,564
Other comprehensive income		
Valuation difference on available-for-sale securities	145,094	195,799
Foreign currency translation adjustment	595,824	614,719
Remeasurements of defined benefit plans, net of tax	19,719	17,581
Total other comprehensive income	760,638	828,100
Comprehensive income	2,599,020	3,669,665
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,599,020	3,669,665