

Consolidated Financial Results
for the Fiscal Year Ended March 31, 2023
[Japanese GAAP]



May 12, 2023

Company name: DAIKI Aluminium Industry Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 5702

URL: <https://www.dik-net.com/>

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Scheduled date of annual general meeting of shareholders: June 23, 2023

Scheduled date of commencing dividend payments: June 26, 2023

Scheduled date of filing securities report: June 26, 2023

Availability of supplementary explanatory materials on annual financial results: No

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, 2023 (April 1, 2022 - March 31, 2023)

(1) Consolidated Operating Results (% indicates changes from the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	273,033	15.7	13,744	(32.5)	13,890	(32.8)	9,726	(34.6)
March 31, 2022	236,056	69.6	20,376	120.4	20,665	128.4	14,880	142.2

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥12,687 million [(23.0)%]

Fiscal year ended March 31, 2022: ¥16,486 million [180.1%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2023	240.09	236.49	15.6	10.1	5.0
March 31, 2022	367.40	361.81	29.6	17.3	8.6

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2023: ¥ – million

Fiscal year ended March 31, 2022: ¥ – million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	133,215	68,370	50.7	1,665.84
As of March 31, 2022	141,616	58,505	40.7	1,421.62

(Reference) Equity: As of March 31, 2023: ¥67,486 million

As of March 31, 2022: ¥57,578 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 year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2023	26,165	(4,580)	(21,660)	4,869
March 31, 2022	(15,621)	(3,417)	17,912	4,779

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2022	–	25.00	–	35.00	60.00	2,430	16.3	4.8
Fiscal year ended March 31, 2023	–	30.00	–	40.00	70.00	2,835	29.2	4.5
Fiscal year ending March 31, 2024 (Forecast)	–	30.00	–	30.00	60.00		–	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30 (Cumulative)	141,700	(1.8)	4,200	(61.0)	4,080	(62.7)	2,970	(59.3)	73.31
Full year	300,900	10.2	10,370	(24.6)	10,090	(27.4)	7,280	(25.1)	179.70

*** Notes:**

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

(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):

As of March 31, 2023: 43,629,235 shares
As of March 31, 2022: 43,629,235 shares

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

As of March 31, 2023: 3,117,551 shares
As of March 31, 2022: 3,127,266 shares

3) Average number of shares during the period:

Year ended March 31, 2023: 40,509,523 shares
Year ended March 31, 2022: 40,502,116 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 - March 31, 2023)

(1) Non-consolidated Operating Results (% indicates changes from the previous fiscal year.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	158,830	9.9	4,938	(7.3)	8,037	(12.4)	6,083	(14.9)
March 31, 2022	144,567	63.0	5,325	69.5	9,178	87.4	7,150	94.5

Fiscal year ended	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
March 31, 2023	150.18		147.92	
March 31, 2022	176.55		173.87	

(2) Non-consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
As of March 31, 2023	81,252		40,914		50.2		1,006.42	
As of March 31, 2022	86,279		37,012		42.7		910.25	

(Reference) Equity: As of March 31, 2023: ¥40,771 million
As of March 31, 2022: ¥36,867 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30 (Cumulative)	80,900	0.0	1,330	(63.4)	1,660	(62.1)	1,190	(61.9)	29.37
Full year	167,900	5.7	3,460	(29.9)	5,120	(36.3)	3,920	(35.6)	96.76

Notes regarding financial results forecast

* These financial results are outside the scope of audit.

* Explanation on the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein regarding financial results forecast for the fiscal year ending March 31, 2024 are based on information available to the Company at the time of preparation and certain assumptions deemed to be reasonable, and actual results may vary significantly due to various factors. For the assumptions used for the earnings forecasts and the notes regarding the use thereof, please refer to “1. Overview of Operating Results, etc., (4) Future Outlook” on page 4 of the attached document.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2023, the outlook for the Japanese economy remained uncertain because of a concern over a decline in consumption due to price increases, in addition to the spread of novel coronavirus (COVID-19) and soaring prices of raw materials and crude oil caused by the impact of the situation in Ukraine and other matters.

Amid this environment, automakers, which are our major clients, have experienced prolonged global shortage of semiconductors and difficulty in parts procurement, and their automobile production volume continued to reduce due to the review of production plans.

The Group intensively strove to optimize unit prices at which it purchased raw materials and manage its inventory of products appropriately amid decreased sales volume.

As a result, the Group's consolidated net sales for the fiscal year ended March 31, 2023 amounted to a combined total of ¥273,033 million (up 15.7% year on year), including ¥182,632 million in secondary aluminium alloy ingots (up 15.6% year on year) and ¥90,400 million in merchandise and raw materials (up 15.8% year on year), due mainly to higher average selling prices compared to the same period of the previous year.

Given the shrinkage in the price difference (spread) between product and raw material prices at consolidated subsidiaries overseas and at the same time, increased manufacturing costs due to higher energy prices, however, ordinary profit was ¥13,890 million (down 32.8% year on year) and profit attributable to owners of parent was ¥9,726 million (down 34.6% year on year).

(2) Overview of Financial Position for the Fiscal Year under Review

Status of Assets, Liabilities and Net Assets

a) Current Assets

The balance of current assets as of March 31, 2023 was ¥102,721 million, down ¥10,779 million from the end of the previous fiscal year. This was mainly due to decreases of ¥2,933 million in notes and accounts receivable - trade, ¥3,439 million in merchandise and finished goods and ¥3,684 million in raw materials and supplies, respectively.

b) Non-current Assets

The balance of non-current assets as of March 31, 2023 was ¥30,493 million, up ¥2,378 million from the end of the previous fiscal year. This was mainly due to increases of ¥1,723 million in property, plant and equipment and ¥828 million in investment securities, respectively, and decreases of ¥89 million in retirement benefit asset and ¥126 million in deferred tax assets, respectively.

c) Current Liabilities

The balance of current liabilities as of March 31, 2023 was ¥54,289 million, down ¥17,981 million from the end of the previous fiscal year. This was mainly due to decreases of ¥16,029 million in short-term borrowings and ¥1,731 million in income taxes payable, respectively.

d) Non-current Liabilities

The balance of non-current liabilities as of March 31, 2023 was ¥10,555 million, down ¥283 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥610 million in long-term borrowings and increases of ¥48 million in retirement benefit liability, ¥25 million in lease liabilities, and ¥253 million in deferred tax liabilities, respectively.

e) Net Assets

The balance of net assets as of March 31, 2023 was ¥68,370 million, up ¥9,865 million from the end of the previous fiscal year. This was mainly due to increases of ¥7,093 million in retained earnings and ¥2,463 million in foreign currency translation adjustment, respectively.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (the “funds”) as of March 31, 2023 stood at ¥4,869 million, up ¥89 million from the end of the previous fiscal year.

The status of cash flows as of March 31, 2023 and their contributing factors are as follows.

a) Cash flows from operating activities

Funds increasing in operating activities for the fiscal year ended March 31, 2023 amounted to ¥26,165 million (funds decreased by ¥15,621 million at the end of the previous fiscal year), mainly due to the recording of profit before income taxes, an increase of funds caused by decreases in trade receivables and inventories, and a decrease of funds caused by a decrease in trade payables.

b) Cash flows from investing activities

Funds decreasing in investing activities for the fiscal year ended March 31, 2023 amounted to ¥4,580 million (funds decreased by ¥3,417 million at the end of the previous fiscal year), mainly due to the purchase of property, plant and equipment.

c) Cash flows from financing activities

Funds decreasing in financing activities for the fiscal year ended March 31, 2023 amounted to ¥21,660 million (funds increased by ¥17,912 million at the end of the previous fiscal year), mainly due to the net decrease in short-term borrowings, proceeds from and repayments of long-term borrowings, and dividends paid.

A trend of cash flow indicators is as follows.

(Reference) Cash flow related indicators

	FY ended March 31, 2020	FY ended March 31, 2021	FY ended March 31, 2022	FY ended March 31, 2023
Equity ratio (%)	45.8	44.2	40.7	50.7
Equity ratio at market price (%)	28.1	44.5	45.0	43.4
Interest-bearing debt to cash flow ratio (years)	1.5	–	–	1.6
Interest coverage ratio (times)	26.7	–	–	31.2

(Notes) Interest-bearing debt to cash flow ratio (years) and interest coverage ratio (times) for FY ended March 31, 2021 and FY ended March 31, 2022 are omitted because operating cash flow was negative.

Equity ratio: $\text{Equity} / \text{Total assets}$

Equity ratio at market price: $\text{Current aggregate value of shares} / \text{Total assets}$

Interest-bearing debt to cash flow ratio: $\text{Interest-bearing debt} / \text{Cash flow}$

Interest coverage ratio: $\text{Cash flow} / \text{Interest expenses}$

* These indicators are calculated based on consolidated figures.

* The current aggregate value of shares is calculated by multiplying the closing stock price at fiscal year-end by the total number of issued shares at fiscal year-end, excluding treasury shares.

* Operating cash flow is used for cash flow.

Cash flows from operating activities in the Consolidated Statements of Cash Flows are used for the operating cash flow. Interest-bearing debt covers all debt bearing interest recorded in the Consolidated Balance Sheet. Interest expenses in the Consolidated Statements of Cash Flows are used for the interest expenses.

(4) Future Outlook

As for the future outlook, there are concerns that the world economy may enter a slowdown due to the global decrease in consumer spending and the stagnation of production activities caused by the impact of monetary policies in Europe and the United States.

At the same time, in the secondary aluminium alloy industry, the production volume of automakers which are its major clients is expected to decrease.

Against this backdrop, while the gross profit is anticipated to decline as the spread between product and raw material prices at consolidated subsidiaries overseas tends to shrink, the Group is determined to make every effort to develop its business by building an efficient production system which meets demands and a purchasing system which can adapt to the fluctuation of raw material prices and taking other necessary actions to quickly respond to the changes in its business environment.

The Group expects the consolidated net sales of ¥300,900 million and ordinary profit of ¥10,090 million for the next fiscal year.

2. Basic Policy on Selection of Accounting Standards

The Group's policy is to prepare Consolidated Financial Statements based on Japanese GAAP, considering the comparability of Consolidated Financial Statements among different periods and companies.

Regarding the application of IFRS, the Group's policy is to respond to it adequately considering both domestic and overseas trends.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheet

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	4,862	4,965
Notes and accounts receivable - trade	58,091	55,158
Merchandise and finished goods	20,845	17,405
Work in process	145	180
Raw materials and supplies	25,039	21,354
Other	4,519	3,659
Allowance for doubtful accounts	(3)	(2)
Total current assets	113,500	102,721
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,635	18,800
Accumulated depreciation	(8,969)	(9,624)
Buildings and structures, net	8,665	9,175
Machinery, equipment and vehicles	31,308	33,701
Accumulated depreciation	(22,820)	(24,768)
Machinery, equipment and vehicles, net	8,488	8,933
Tools, furniture and fixtures	1,723	2,052
Accumulated depreciation	(1,360)	(1,549)
Tools, furniture and fixtures, net	362	502
Land	3,893	3,957
Leased assets	1,287	1,872
Accumulated depreciation	(339)	(326)
Leased assets, net	947	1,545
Construction in progress	258	225
Total property, plant and equipment	22,615	24,339
Intangible assets	115	132
Investments and other assets		
Investment securities	3,832	4,661
Long-term loans receivable	3	2
Retirement benefit asset	656	567
Deferred tax assets	348	222
Other	805	857
Allowance for doubtful accounts	(262)	(287)
Total investments and other assets	5,384	6,022
Total non-current assets	28,115	30,493
Total assets	141,616	133,215

DAIKI Aluminium Industry Co., Ltd. (5702)
Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,858	13,532
Short-term borrowings	50,172	34,143
Accounts payable - other	1,642	1,687
Income taxes payable	2,746	1,015
Accrued consumption taxes	221	610
Accrued expenses	1,973	1,890
Provision for bonuses	447	356
Other	1,209	1,052
Total current liabilities	72,271	54,289
Non-current liabilities		
Long-term borrowings	8,531	7,920
Provision for retirement benefits for directors (and other officers)	12	9
Retirement benefit liability	247	296
Lease liabilities	75	101
Asset retirement obligations	244	248
Deferred tax liabilities	1,576	1,830
Other	150	148
Total non-current liabilities	10,839	10,555
Total liabilities	83,110	64,844
Net assets		
Shareholders' equity		
Share capital	6,346	6,346
Capital surplus	8,843	8,863
Retained earnings	41,677	48,770
Treasury shares	(1,341)	(1,337)
Total shareholders' equity	55,526	62,643
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,233	1,554
Deferred gains or losses on hedges	(99)	31
Foreign currency translation adjustment	661	3,125
Remeasurements of defined benefit plans	256	131
Total accumulated other comprehensive income	2,052	4,842
Share acquisition rights	145	142
Non-controlling interests	781	741
Total net assets	58,505	68,370
Total liabilities and net assets	141,616	133,215

DAIKI Aluminium Industry Co., Ltd. (5702)
Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statement of Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales	236,056	273,033
Cost of sales	206,795	250,035
Gross profit	29,261	22,997
Selling, general and administrative expenses		
Transportation costs	4,543	4,308
Entertainment expenses	41	71
Travel and transportation expenses	132	210
Remuneration for directors (and other officers)	317	367
Salaries and allowances	1,055	1,141
Provision for retirement benefits for directors (and other officers)	1	1
Provision for bonuses	87	43
Retirement benefit expenses	30	9
Rent expenses	57	65
Depreciation	222	284
Provision of allowance for doubtful accounts	32	-
Other	2,362	2,748
Total selling, general and administrative expenses	8,884	9,252
Operating profit	20,376	13,744
Non-operating income		
Interest income	41	77
Dividend income	270	317
Foreign exchange gains	366	152
Technical advisory fee income	21	23
Gain on sales of iron scrap	146	147
Other	205	334
Total non-operating income	1,052	1,052
Non-operating expenses		
Interest expenses	627	855
Loss on sale of notes receivable - trade	9	8
Other	126	42
Total non-operating expenses	763	906
Ordinary profit	20,665	13,890
Extraordinary income		
Gain on sale of non-current assets	11	15
Gain on sale of investment securities	-	11
Total extraordinary income	11	27
Extraordinary losses		
Loss on sale and retirement of non-current assets	87	131
Loss on disaster	-	66
Total extraordinary losses	87	197
Profit before income taxes	20,590	13,720
Income taxes - current	5,131	3,588
Income taxes - deferred	373	309
Total income taxes	5,504	3,897
Profit	15,085	9,823
Profit attributable to non-controlling interests	204	96
Profit attributable to owners of parent	14,880	9,726

DAIKI Aluminium Industry Co., Ltd. (5702)
Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

Consolidated Statement of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit	15,085	9,823
Other comprehensive income		
Valuation difference on available-for-sale securities	37	320
Deferred gains or losses on hedges	(113)	131
Foreign currency translation adjustment	1,455	2,538
Remeasurements of defined benefit plans, net of tax	21	(125)
Total other comprehensive income	1,401	2,864
Comprehensive income	16,486	12,687
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,232	12,516
Comprehensive income attributable to non-controlling interests	254	171

DAIKI Aluminium Industry Co., Ltd. (5702)
Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,346	8,843	28,538	(1,340)	42,387
Cumulative effects of changes in accounting policies			(0)		(0)
Restated balance	6,346	8,843	28,538	(1,340)	42,387
Changes during period					
Dividends of surplus			(1,741)		(1,741)
Profit attributable to owners of parent			14,880		14,880
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					–
Purchase of shares of consolidated subsidiaries					–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	13,138	(0)	13,138
Balance at end of period	6,346	8,843	41,677	(1,341)	55,526

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	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	1,195	14	(745)	236	700	145	551	43,785
Cumulative effects of changes in accounting policies								(0)
Restated balance	1,195	14	(745)	236	700	145	551	43,784
Changes during period								
Dividends of surplus								(1,741)
Profit attributable to owners of parent								14,880
Purchase of treasury shares								(0)
Disposal of treasury shares								–
Purchase of shares of consolidated subsidiaries								–
Net changes in items other than shareholders' equity	37	(113)	1,407	19	1,351	–	230	1,581
Total changes during period	37	(113)	1,407	19	1,351	–	230	14,720
Balance at end of period	1,233	(99)	661	256	2,052	145	781	58,505

DAIKI Aluminium Industry Co., Ltd. (5702)
Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

Fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,346	8,843	41,677	(1,341)	55,526
Cumulative effects of changes in accounting policies					–
Restated balance	6,346	8,843	41,677	(1,341)	55,526
Changes during period					
Dividends of surplus			(2,632)		(2,632)
Profit attributable to owners of parent			9,726		9,726
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(1)		4	2
Purchase of shares of consolidated subsidiaries		22			22
Net changes in items other than shareholders' equity					
Total changes during period	–	20	7,093	3	7,117
Balance at end of period	6,346	8,863	48,770	(1,337)	62,643

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	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	1,233	(99)	661	256	2,052	145	781	58,505
Cumulative effects of changes in accounting policies								–
Restated balance	1,233	(99)	661	256	2,052	145	781	58,505
Changes during period								
Dividends of surplus								(2,632)
Profit attributable to owners of parent								9,726
Purchase of treasury shares								(0)
Disposal of treasury shares								2
Purchase of shares of consolidated subsidiaries								22
Net changes in items other than shareholders' equity	320	131	2,463	(125)	2,790	(2)	(40)	2,747
Total changes during period	320	131	2,463	(125)	2,790	(2)	(40)	9,865
Balance at end of period	1,554	31	3,125	131	4,842	142	741	68,370

DAIKI Aluminium Industry Co., Ltd. (5702)
Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	20,590	13,720
Depreciation	3,196	3,493
Increase (decrease) in retirement benefit liability	39	31
Decrease (increase) in retirement benefit asset	(77)	(85)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	1	(3)
Increase (decrease) in allowance for doubtful accounts	30	(1)
Interest and dividend income	(312)	(394)
Interest expenses	627	855
Foreign exchange losses (gains)	(62)	110
Loss (gain) on sale of investment securities	-	(11)
Loss (gain) on sale and retirement of non-current assets	75	115
Decrease (increase) in trade receivables	(19,091)	5,342
Decrease (increase) in inventories	(21,679)	9,125
Decrease (increase) in advance payments to suppliers	161	196
Decrease (increase) in accounts receivable - other	31	42
Decrease (increase) in temporary payments	(313)	263
Increase (decrease) in trade payables	4,779	(1,192)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(321)	725
Other, net	952	200
Subtotal	(11,372)	32,536
Interest and dividends received	312	394
Interest paid	(622)	(839)
Income taxes paid	(3,938)	(5,925)
Net cash provided by (used in) operating activities	(15,621)	26,165
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,418)	(4,063)
Proceeds from sale of property, plant and equipment	25	19
Purchase of investment securities	-	(472)
Other, net	(23)	(64)
Net cash provided by (used in) investing activities	(3,417)	(4,580)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	16,777	(15,900)
Proceeds from long-term borrowings	7,100	3,016
Repayments of long-term borrowings	(4,129)	(5,881)
Net decrease (increase) in treasury shares	(0)	(0)
Dividends paid	(1,741)	(2,632)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(127)
Dividends paid to non-controlling interests	(23)	(61)
Other, net	(69)	(71)
Net cash provided by (used in) financing activities	17,912	(21,660)
Effect of exchange rate change on cash and cash equivalents	202	164
Net increase (decrease) in cash and cash equivalents	(923)	89
Cash and cash equivalents at beginning of period	5,702	4,779
Cash and cash equivalents at end of period	4,779	4,869

(5) Notes to Consolidated Financial Statements
(Notes on Going Concern Assumption)

Not applicable.

(Segment Information, Etc.)

[Segment information]

1. Overview of reportable segments

The Group's reportable segment is a component of an entity for which separate financial information is available and evaluated regularly by the Board of Directors in determining the allocation of management resources and in assessing performance.

The Group's reportable segment is "secondary aluminium alloy," as the Group's main business is manufacturing and sales of secondary aluminium alloy.

2. Calculation methods of net sales, income (loss) and assets by reportable segment

The accounting for business segments reported is substantially the same as those described in the "Significant Accounting Policies for Preparation of Consolidated Financial Statements." Intersegment sales or transfers are based on the market price and other information.

The business segment income is based on operating profit before goodwill amortization.

3. Information on net sales, income (loss), assets and other items by reportable segment

For the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Million yen)

	Reportable segment	Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Financial Statements (Note 3)
	Secondary aluminium alloy				
Net sales					
Net sales to outside customers	231,236	4,819	236,056	-	236,056
Inter-segment net sales or transfers	1,369	33	1,403	(1,403)	-
Total	232,606	4,853	237,460	(1,403)	236,056
Segment income (loss)	19,608	772	20,381	(4)	20,376
Segment asset	136,688	5,639	142,327	(711)	141,616

(Notes) 1. "Others" is the business segment not categorized in the reportable segment. They include die-cast products business, etc.

2. Adjustments are as follows.

(1) The segment income (loss) adjustment of ¥ (4) million includes intersegment transactions elimination of ¥ (4) million.

(2) The segment asset adjustment of ¥ (711) million includes intersegment elimination of debts and credits of ¥ (689) million.

3. Segment income (loss) is adjusted to the operating profit figure on the Consolidated Statement of Income.

DAIKI Aluminium Industry Co., Ltd. (5702)
Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

For the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Million yen)

	Reportable segment	Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Consolidated Financial Statements (Note 3)
	Secondary aluminium alloy				
Net sales					
Net sales to outside customers	267,967	5,066	273,033	–	273,033
Inter-segment net sales or transfers	1,483	49	1,532	(1,532)	–
Total	269,450	5,115	274,566	(1,532)	273,033
Segment income (loss)	13,192	535	13,727	16	13,744
Segment asset	128,090	5,661	133,752	(536)	133,215

(Notes) 1. “Others” is the business segment not categorized in the reportable segment. They include die-cast products business, etc.

2. Adjustments are as follows.

(1) The segment income (loss) adjustment of ¥ 16 million includes intersegment transactions elimination of ¥ 16 million.

(2) The segment asset adjustment of ¥ (536) million includes intersegment elimination of debts and credits of ¥ (520) million.

3. Segment income (loss) is adjusted to the operating profit figure on the Consolidated Statement of Income.

DAIKI Aluminium Industry Co., Ltd. (5702)
Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

(Per Share Information)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net assets per share	¥1,421.62	¥1,665.84
Basic earnings per share	¥367.40	¥240.09
Diluted earnings per share	¥361.81	¥236.49

(Notes) 1. Basic earnings per share and diluted earnings per share shall be calculated based on the following data.

Item	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	14,880	9,726
Amount not attributable to common shareholders (Million yen)	-	-
Profit attributable to owners of parent relating to common shares (Million yen)	14,880	9,726
Average number of common shares during the period (Shares)	40,502,116	40,509,523
Diluted earnings per share		
Adjustment for profit attributable to owners of parent (Million yen)	-	-
Increase in number of common shares (Shares)	625,564	618,036
(Share acquisition rights) (Shares)	(625,564)	(618,036)
Overview of residual shares not included in the calculation of diluted earnings per share due to their non-dilutive effect	-	

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2. Net assets per share shall be calculated based on the following data.

Item	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Total net assets (Million yen)	58,505	68,370
Amount deducted from total net assets (Million yen)	926	884
(Share acquisition rights)	(145)	(142)
(Non-controlling interests)	(781)	(741)
Year-end net assets related to common shares (Million yen)	57,578	67,486
Year-end number of common shares used to calculate net assets per share (Shares)	40,501,969	40,511,684

(Significant Subsequent Events)

Not applicable.