

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

July 31, 2023

Company name: ATSUGI CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 3529 URL <https://www.atsugi.co.jp/>
 Representative: President Shinji Nikko
 Director, Executive Officer, Administration Masahiro Furukawa TEL 046-235-8107
 division General manager
 Scheduled date to file Quarterly Securities Report: August 4, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 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, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	4,791	7.5	(430)	–	(128)	–	(149)	–
Three months ended June 30, 2022	4,456	(5.6)	(630)	–	(391)	–	(425)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	(9.33)	–
Three months ended June 30, 2022	(26.56)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	40,777	31,715	77.8
As of March 31, 2023	40,688	30,932	76.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	0.00	–	0.00	0.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	0.00	–	0.00	0.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	22,800	11.0	(300)	–	(200)	–	500	–	31.20

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
 (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
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - 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, 2023	17,319,568 shares	As of March 31, 2023	17,319,568 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	1,296,634 shares	As of March 31, 2023	1,296,128 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, 2023	16,023,084 shares	Three months ended June 30, 2022	16,024,852 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	4,787	4,077
Notes and accounts receivable - trade	4,241	3,197
Merchandise and finished goods	4,179	5,012
Work in process	1,029	1,204
Raw materials and supplies	635	729
Other	1,713	2,026
Allowance for doubtful accounts	(24)	(22)
Total current assets	16,562	16,224
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,685	1,798
Machinery, equipment and vehicles, net	1,817	1,926
Land	12,011	12,011
Construction in progress	420	238
Other, net	86	86
Total property, plant and equipment	16,020	16,061
Intangible assets	1,338	1,366
Investments and other assets		
Investment securities	6,621	7,016
Deferred tax assets	0	–
Other	144	108
Total investments and other assets	6,767	7,125
Total non-current assets	24,126	24,552
Total assets	40,688	40,777

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,957	1,784
Current portion of long-term borrowings	470	470
Income taxes payable	138	49
Provision for bonuses	43	22
Other	2,681	2,113
Total current liabilities	5,291	4,439
Non-current liabilities		
Long-term borrowings	909	791
Deferred tax liabilities	1,052	1,376
Deferred tax liabilities for land revaluation	1,286	1,286
Retirement benefit liability	967	917
Other	249	249
Total non-current liabilities	4,465	4,622
Total liabilities	9,756	9,062
Net assets		
Shareholders' equity		
Share capital	20,000	20,000
Capital surplus	10,272	10,272
Retained earnings	(2,076)	(2,225)
Treasury shares	(1,466)	(1,467)
Total shareholders' equity	26,728	26,579
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,839	2,159
Deferred gains or losses on hedges	411	834
Revaluation reserve for land	388	388
Foreign currency translation adjustment	1,563	1,753
Total accumulated other comprehensive income	4,203	5,136
Total net assets	30,932	31,715
Total liabilities and net assets	40,688	40,777

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, 2022	Three months ended June 30, 2023
Net sales	4,456	4,791
Cost of sales	3,289	3,357
Gross profit	1,166	1,434
Selling, general and administrative expenses	1,796	1,865
Operating loss	(630)	(430)
Non-operating income		
Interest and dividend income	108	99
Foreign exchange gains	119	160
Other	18	50
Total non-operating income	246	311
Non-operating expenses		
Interest expenses	2	6
Taxes and dues	0	0
Other	3	1
Total non-operating expenses	6	9
Ordinary loss	(391)	(128)
Extraordinary income		
Gain on sale of non-current assets	8	-
Total extraordinary income	8	-
Extraordinary losses		
Loss on retirement of non-current assets	5	1
Total extraordinary losses	5	1
Loss before income taxes	(388)	(130)
Income taxes - current	6	5
Income taxes - deferred	31	13
Total income taxes	37	19
Loss	(425)	(149)
Loss attributable to owners of parent	(425)	(149)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Loss	(425)	(149)
Other comprehensive income		
Valuation difference on available-for-sale securities	180	319
Deferred gains or losses on hedges	468	423
Foreign currency translation adjustment	396	190
Total other comprehensive income	1,044	932
Comprehensive income	619	783
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	619	783