

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended March 31, 2024 (Based on Japanese GAAP)

May 15, 2024

Company name: AIRTECH JAPAN,LTD.
 Stock exchange listing: Tokyo
 Stock code: 6291 URL <https://www.airtech.co.jp>
 Representative: President Shinya Hirasawa
 Inquiries: Director, Administration Department Naoki Watanabe TEL 03(3872)9192
 Scheduled date to file Quarterly Securities Report: May 15, 2024
 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. Non-consolidated financial results for the three months ended March 31, 2024 (from January 1, 2024 to March 31, 2024)

(1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended March 31, 2024	3,475	(13.6)	359	(13.1)	386	(11.1)	270	(7.0)
Three months ended March 31, 2023	4,023	17.3	413	(1.7)	435	1.9	291	(1.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended March 31, 2024	26.11		–	
Three months ended March 31, 2023	28.25		28.23	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	19,517	13,765	70.5	1,325.73
As of December 31, 2023	19,589	14,107	72.0	1,360.01

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 December 31, 2023	–	0.00	–	60.00	60.00
Year ending December 31, 2024	–				
Year ending December 31, 2024 (Forecast)		0.00	–	50.00	50.00

3. Forecast of non-consolidated financial results for the year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	13,500	(1.1)	900	27.3	1,100	8.9	800	9.3	77.13

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	10,520,450 shares	As of December 31, 2023	10,508,450 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	137,095 shares	As of December 31, 2023	142,295 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2024	10,372,122 shares	Three months ended March 31, 2023	10,300,887 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	5,388,660	4,679,775
Notes and accounts receivable - trade, and contract assets	4,221,556	4,555,864
Electronically recorded monetary claims - operating	1,360,882	1,198,247
Securities	651	676
Merchandise and finished goods	1,324,225	1,377,283
Work in process	568,747	564,535
Raw materials and supplies	851,361	941,430
Other	40,726	48,416
Allowance for doubtful accounts	(1,838)	(1,687)
Total current assets	13,754,972	13,364,542
Non-current assets		
Property, plant and equipment		
Land	2,507,950	2,507,950
Other	2,295,907	2,577,360
Total property, plant and equipment	4,803,857	5,085,311
Intangible assets	44,069	44,874
Investments and other assets		
Other	986,607	1,022,720
Allowance for doubtful accounts	(117)	(121)
Total investments and other assets	986,489	1,022,599
Total non-current assets	5,834,416	6,152,784
Total assets	19,589,389	19,517,327
Liabilities		
Current liabilities		
Notes and accounts payable - trade	828,229	881,200
Electronically recorded obligations - operating	2,437,507	2,260,881
Short-term borrowings	280,000	280,000
Current portion of long-term borrowings	54,264	54,264
Income taxes payable	97,000	183,890
Provision for product warranties	17,184	18,261
Provision for bonuses	105,371	262,113
Provision for loss on orders received	21,508	10,286
Other	850,086	1,042,183
Total current liabilities	4,691,151	4,993,080
Non-current liabilities		
Long-term borrowings	203,551	189,985
Provision for retirement benefits	561,409	538,055
Other	25,580	30,707
Total non-current liabilities	790,541	758,747
Total liabilities	5,481,692	5,751,827

(Thousands of yen)

	As of December 31, 2023	As of March 31, 2024
Net assets		
Shareholders' equity		
Share capital	2,116,233	2,123,241
Capital surplus	2,164,427	2,171,428
Retained earnings	9,942,495	9,586,568
Treasury shares	(138,116)	(131,600)
Total shareholders' equity	14,085,040	13,749,637
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	13,067	15,861
Total valuation and translation adjustments	13,067	15,861
Share acquisition rights	9,589	–
Total net assets	14,107,697	13,765,499
Total liabilities and net assets	19,589,389	19,517,327

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024
Net sales	4,023,806	3,475,505
Cost of sales	3,018,479	2,542,446
Gross profit	1,005,326	933,059
Selling, general and administrative expenses		
Freight and packing costs	134,534	111,041
Remuneration for directors (and other officers)	18,414	18,365
Salaries	134,401	152,884
Provision of allowance for doubtful accounts	1,679	(146)
Provision for bonuses	43,825	41,536
Retirement benefit expenses	7,648	7,104
Provision for product warranties	16,320	1,077
Other	234,537	241,481
Total selling, general and administrative expenses	591,361	573,344
Operating profit	413,964	359,714
Non-operating income		
Interest income	159	350
Dividend income	125	125
Foreign exchange gains	1,984	18,824
Reversal of provision for loss on guarantees	11,582	–
Other	9,043	10,211
Total non-operating income	22,894	29,511
Non-operating expenses		
Interest expenses	414	377
Loss on retirement of non-current assets	–	1,421
Loss on amortization of restricted stock compensation	402	53
Other	631	444
Total non-operating expenses	1,448	2,296
Ordinary profit	435,410	386,929
Extraordinary income		
Gain on reversal of share acquisition rights	8,309	6,393
Total extraordinary income	8,309	6,393
Profit before income taxes	443,720	393,322
Income taxes - current	188,065	164,893
Income taxes - deferred	(35,392)	(42,341)
Total income taxes	152,672	122,552
Profit	291,047	270,770