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Consolidated Financial Results for the Six Months Ended September 30, 2021 [Japanese GAAP]

October 27, 2021

Company name: AICHI CORPORATION

Stock exchange listing: Tokyo, Nagoya

Code number: 6345

URL: <https://www.aichi-corp.co.jp>

Representative: Toshiya Yamagishi, President and Representative Director

Contact: Tadashi Okumura, Accounting General Manager

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Scheduled date of filing quarterly securities report: November 08, 2021

Scheduled date of commencing dividend payments: November 29, 2021

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended September 30, 2021 (April 01, 2021 to September 30, 2021)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2021	25,360	(6.5)	2,602	(15.1)	3,060	(8.3)	2,197	(22.5)
September 30, 2020	27,111	(11.3)	3,063	(4.6)	3,336	(3.6)	2,836	17.1

(Note) Comprehensive income: Six months ended September 30, 2021: ¥ 2,431 million [(34.8)%]
Six months ended September 30, 2020: ¥ 3,730 million [62.5%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2021	28.76	-
September 30, 2020	36.73	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
September 30, 2021	88,704	74,377	83.8
March 31, 2021	90,869	73,321	80.7

(Reference) Equity: As of September 30, 2021: ¥ 74,377 million
As of March 31, 2021: ¥ 73,321 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, 2021	-	14.00	-	18.00	32.00
Fiscal year ending March 31, 2022	-	14.00			
Fiscal year ending March 31, 2022 (Forecast)			-	18.00	32.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% 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
Full year	59,500	0.3	6,800	(3.6)	7,200	(6.6)	5,000	(15.4)	65.45

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

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2021

(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: Yes

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):

September 30, 2021: 78,225,350 shares

March 31, 2021: 78,225,350 shares

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

September 30, 2021: 1,829,449 shares

March 31, 2021: 1,829,292 shares

3) Average number of shares during the period:

Six months ended September 30, 2021: 76,395,979 shares

Six months ended September 30, 2020: 77,237,278 shares

* This quarterly financial results are not subject to quarterly review procedure by certified public accountants or auditing firms.

* Explanation regarding the proper use of performance forecasts and other special items

- All projections are based on the information available to management at the time of making this report and are not guarantees of future performance. Uncertainties could cause the actual results of AICHI CORPORATION to differ materially from any projections discussed in this report.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of September 30,2021
Assets		
Current assets		
Cash and deposits	1,224,322	1,126,999
Deposits paid	36,536,175	36,572,027
Notes and accounts receivable - trade	19,464,344	-
Notes and accounts receivable - trade, and contract assets	-	16,520,682
Merchandise and finished goods	808,516	1,206,288
Work in process	1,287,837	1,682,718
Raw materials and supplies	1,191,555	1,249,086
Other	465,096	413,271
Allowance for doubtful accounts	(225)	(231)
Total current assets	60,977,622	58,770,841
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,421,847	7,193,210
Machinery, equipment and vehicles, net	2,407,495	2,218,036
Land	8,524,457	8,524,457
Other, net	658,234	583,753
Total property, plant and equipment	19,012,035	18,519,457
Intangible assets	692,607	642,724
Investments and other assets		
Investment securities	7,954,715	8,145,717
Other	2,239,294	2,632,537
Allowance for doubtful accounts	(6,713)	(6,735)
Total investments and other assets	10,187,296	10,771,519
Total non-current assets	29,891,939	29,933,701
Total assets	90,869,562	88,704,543

(Thousand yen)

	As of March 31,2021	As of September 30,2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,089,276	8,563,334
Income taxes payable	1,727,200	738,689
Provision for bonuses for directors (and other officers)	38,000	19,000
Provision for product warranties	294,302	253,893
Other	3,339,192	2,469,719
Total current liabilities	15,487,971	12,044,636
Non-current liabilities		
Deferred tax liabilities for land revaluation	616,302	616,302
Retirement benefit liability	450,694	441,551
Deferred tax liabilities	578,155	872,727
Other	414,769	351,892
Total non-current liabilities	2,059,922	2,282,474
Total liabilities	17,547,893	14,327,111
Net assets		
Shareholders' equity		
Share capital	10,425,325	10,425,325
Capital surplus	9,923,342	9,923,342
Retained earnings	50,386,498	51,208,409
Treasury shares	(1,147,983)	(1,148,117)
Total shareholders' equity	69,587,182	70,408,960
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,498,080	4,632,872
Revaluation reserve for land	(1,624,044)	(1,624,044)
Foreign currency translation adjustment	86,580	206,102
Remeasurements of defined benefit plans	773,869	753,541
Total accumulated other comprehensive income	3,734,486	3,968,472
Total net assets	73,321,669	74,377,432
Total liabilities and net assets	90,869,562	88,704,543

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Net sales	27,111,918	25,360,469
Cost of sales	21,281,058	19,995,771
Gross profit	5,830,859	5,364,697
Selling, general and administrative expenses	2,767,612	2,762,640
Operating profit	3,063,246	2,602,057
Non-operating income		
Interest income	5,751	7,144
Dividend income	63,235	68,392
Share of profit of entities accounted for using equity method	174,519	365,392
Foreign exchange gains	3,316	-
Other	31,856	20,683
Total non-operating income	278,679	461,612
Non-operating expenses		
Foreign exchange losses	-	2,742
Other	5,804	917
Total non-operating expenses	5,804	3,659
Ordinary profit	3,336,121	3,060,010
Extraordinary income		
Gain on sale of non-current assets	1,586	573
Gain on sale of investment securities	-	6,030
Insurance claim income	767,844	31,920
Total extraordinary income	769,430	38,524
Extraordinary losses		
Loss on sale of non-current assets	-	38
Loss on retirement of non-current assets	1,443	7,099
Loss on valuation of investment securities	146	-
Total extraordinary losses	1,589	7,138
Profit before income taxes	4,103,962	3,091,397
Income taxes - current	1,223,921	649,426
Income taxes - deferred	43,371	244,930
Total income taxes	1,267,292	894,356
Profit	2,836,669	2,197,040
Profit attributable to owners of parent	2,836,669	2,197,040

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

(Thousand yen)

	For the six months ended September 30,2020	For the six months ended September 30,2021
Profit	2,836,669	2,197,040
Other comprehensive income		
Valuation difference on available-for-sale securities	816,326	134,791
Foreign currency translation adjustment	42,484	52,577
Remeasurements of defined benefit plans, net of tax	7,955	(20,328)
Share of other comprehensive income of entities accounted for using equity method	27,373	66,944
Total other comprehensive income	894,140	233,985
Comprehensive income	3,730,809	2,431,025
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,730,809	2,431,025
Comprehensive income attributable to non-controlling interests	-	-