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Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]

August 8, 2024

Company name: RHEON AUTOMATIC MACHINERY CO., LTD.

Listing: Tokyo

Securities code: 6272

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

Representative: Mikio Kobayashi

President & C.E.O.

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Managing Operating Officer

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(1) Consolidated Operating Results

(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, 2024	9,523	17.1	980	22.2	1,079	23.2	735	27.5
June 30, 2023	8,134	3.0	802	353.9	876	221.4	576	421.8

(Note) Comprehensive income: Three months ended June 30, 2024: ¥ 1,592 million [5.9%]
Three months ended June 30, 2023: ¥ 1,503 million [49.3%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	27.38		27.34	
June 30, 2023	21.50		21.45	

(2) Consolidated Financial Position

	Total assets		Net assets		Capital adequacy ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of June 30, 2024	45,478		36,885		81.0		1,372.07	
March 31, 2024	44,574		35,884		80.4		1,334.77	

(Reference) Equity: As of June 30, 2024: ¥ 36,837 million
As of March 31, 2024: ¥ 35,836 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, 2024	-	20.00	-	22.00	42.00
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		21.00	-	21.00	42.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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
Six months ending September 30, 2024	18,200	0.1	2,400	5.3	2,450	3.7	1,700	(9.6)	63.35
Full year	38,950	3.3	5,380	10.2	5,450	9.3	3,750	2.0	139.75

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2024: 28,392,000 shares

March 31, 2024: 28,392,000 shares

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

June 30, 2024: 1,543,558 shares

March 31, 2024: 1,543,459 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2024: 26,848,504 shares

Three months ended June 30, 2023: 26,807,444 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The performance forecast figures stated in this document are estimates based on the information currently available to the company, and actual results may differ from these forecast figures due to various factors that may occur in the future.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	13,591,862	14,005,962
Notes and accounts receivable - trade	3,236,132	3,120,497
Merchandise and finished goods	5,997,307	6,105,885
Work in process	1,341,552	1,498,201
Raw materials and supplies	481,909	470,612
Other	783,038	666,933
Allowance for doubtful accounts	(27,470)	(44,064)
Total current assets	25,404,332	25,824,029
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,925,188	17,380,150
Accumulated depreciation	(9,449,270)	(9,796,769)
Buildings and structures, net	7,475,917	7,583,380
Machinery, equipment and vehicles	11,117,581	11,721,794
Accumulated depreciation	(8,686,306)	(9,181,320)
Machinery, equipment and vehicles, net	2,431,275	2,540,473
Tools, furniture and fixtures	2,127,046	2,177,575
Accumulated depreciation	(1,924,257)	(1,955,397)
Tools, furniture and fixtures, net	202,789	222,178
Land	4,088,572	4,148,793
Leased assets	27,262	27,262
Accumulated depreciation	(4,870)	(6,254)
Leased assets, net	22,391	21,007
Construction in progress	178,490	300,745
Total property, plant and equipment	14,399,436	14,816,579
Intangible assets	1,157,935	1,078,902
Investments and other assets		
Investment securities	1,583,569	1,689,697
Retirement benefit asset	1,813,279	1,849,626
Other	223,060	220,384
Allowance for doubtful accounts	(6,794)	(1,080)
Total investments and other assets	3,613,115	3,758,627
Total non-current assets	19,170,487	19,654,108
Total assets	44,574,820	45,478,137

(Thousands of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,285,250	1,124,219
Short-term borrowings	704,722	537,722
Lease liabilities	6,275	5,933
Accrued expenses	615,716	1,369,618
Income taxes payable	524,664	387,933
Advances received	1,981,695	2,045,115
Provision for bonuses	765,722	388,967
Provision for bonuses for directors (and other officers)	29,300	7,320
Accounts payable - other	727,957	853,536
Other	102,955	98,681
Total current liabilities	6,744,261	6,819,048
Non-current liabilities		
Long-term borrowings	903,481	822,300
Lease liabilities	18,653	17,192
Deferred tax liabilities	640,412	550,301
Deferred tax liabilities for land revaluation	347,009	347,009
Asset retirement obligations	36,321	36,321
Other	213	176
Total non-current liabilities	1,946,093	1,773,303
Total liabilities	8,690,355	8,592,351
Net assets		
Shareholders' equity		
Share capital	7,351,750	7,351,750
Capital surplus	7,105,902	7,105,902
Retained earnings	20,409,779	20,554,246
Treasury shares	(750,865)	(751,019)
Total shareholders' equity	34,116,565	34,260,880
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	801,635	874,035
Revaluation reserve for land	(1,692,816)	(1,692,816)
Foreign currency translation adjustment	2,248,344	3,021,175
Remeasurements of defined benefit plans	362,825	374,600
Total accumulated other comprehensive income	1,719,987	2,576,994
Share acquisition rights	47,911	47,911
Total net assets	35,884,465	36,885,785
Total liabilities and net assets	44,574,820	45,478,137

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Thousands of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Net sales	8,134,881	9,523,860
Cost of sales	4,427,746	5,371,213
Gross profit	3,707,134	4,152,646
Selling, general and administrative expenses		
Advertising expenses	119,900	111,751
Packing and transportation costs	374,423	446,137
Provision of allowance for doubtful accounts	3,775	5,945
Sales commission	205,078	249,828
Salaries and allowances	760,386	804,400
Provision for bonuses	213,333	219,723
Provision for bonuses for directors (and other officers)	5,800	7,320
Retirement benefit expenses	39,263	34,260
Legal welfare expenses	163,849	170,717
Travel and transportation expenses	116,770	133,664
Depreciation	132,304	149,009
Repair expenses	105,675	139,229
Research and development expenses	176,490	198,437
Other	487,939	501,758
Total selling, general and administrative expenses	2,904,990	3,172,186
Operating profit	802,144	980,460
Non-operating income		
Interest income	1,300	11,469
Dividend income	15,175	21,924
Gain on sale of goods	3,692	4,523
Foreign exchange gains	21,681	58,556
Surrender value of insurance policies	2,210	-
Sold power	5,983	6,850
Other	30,161	10,697
Total non-operating income	80,206	114,022
Non-operating expenses		
Interest expenses	2,736	2,330
Sold power expenses	2,035	7,540
Loss on retirement of non-current assets	171	3,248
Other	897	1,387
Total non-operating expenses	5,841	14,508
Ordinary profit	876,509	1,079,975
Profit before income taxes	876,509	1,079,975
Income taxes - current	244,703	490,453
Income taxes - deferred	55,331	(145,613)
Total income taxes	300,035	344,839
Profit	576,474	735,135
Profit attributable to owners of parent	576,474	735,135

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

(Thousands of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Profit	576,474	735,135
Other comprehensive income		
Valuation difference on available-for-sale securities	91,422	72,400
Foreign currency translation adjustment	831,234	772,831
Remeasurements of defined benefit plans, net of tax	4,123	11,775
Total other comprehensive income	926,781	857,006
Comprehensive income	1,503,255	1,592,141
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,503,255	1,592,141