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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [IFRS]

February 2, 2024

Company name: Aichi Steel Corporation
 Stock exchange listing: Tokyo and Nagoya
 Code number: 5482
 URL: <https://www.aichi-steel.co.jp/ENGLISH/>
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Scheduled date of filing quarterly securities report: February 14, 2024
 Scheduled date of commencing dividend payments: -
 Availability of supplementary materials on quarterly financial results: No
 Holding of quarterly financial results briefing session: No

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 through December 31, 2023)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2023	226,968	8.2	9,104	—	9,556	608.2	7,153	530.8
December 31, 2022	209,686	10.0	604	(82.6)	1,349	(65.2)	1,134	(59.2)

	Profit attributable to owners of the parent		Comprehensive income		Basic earnings per share	Diluted earnings per share
	Million yen	%	Million yen	%	Yen	Yen
Nine months ended December 31, 2023	6,113	—	11,790	239.8	309.77	309.77
December 31, 2022	213	(89.8)	3,469	(25.6)	10.83	10.83

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of December 31, 2023	384,816	223,673	213,146	55.4
As of March 31, 2023	385,449	214,322	203,759	52.9

2. Cash Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	10.00	—	20.00	30.00
Fiscal year ending March 31, 2024	—	40.00	—		
Fiscal year ending March 31, 2024 (Forecast)				40.00	80.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 through March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	300,000	5.2	8,700	166.9	9,200	124.4	5,200	222.9	263.50

(Note) Revision to the financial results forecast announced most recently: Yes

*** Notes:**

- (1) Changes in significant subsidiaries during the period under review: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: – Excluded: –

- (2) Changes in accounting policies and accounting estimates
- 1) Changes in accounting policies required by IFRS: None
 - 2) Changes in accounting policies due to other reasons: None
 - 3) Changes in accounting estimates: None

- (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 December 31, 2023:	19,886,675 shares
As of March 31, 2023:	19,886,675 shares

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

As of December 31, 2023:	144,421 shares
As of March 31, 2023:	158,902 shares

- 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023:	19,736,501 shares
Nine months ended December 31, 2022:	19,721,544 shares

* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters
(Cautionary notes on forward-looking statements, etc.)

The forward-looking statements, including financial results forecast, in this document are based on information available to the Company at the time of this disclosure and on certain assumptions deemed reasonable by the Company. As such, actual results may differ from those indicated in these forward-looking statements due to various factors.

Condensed Quarterly Consolidated Financial Statements
Condensed Quarterly Consolidated Statements of Financial Position

(Million yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	47,534	42,612
Trade and other receivables	63,511	65,735
Other financial assets	784	2,030
Inventories	54,381	51,497
Other current assets	801	979
Total current assets	167,012	162,855
Non-current assets		
Property, plant and equipment	126,665	126,813
Intangible assets	3,065	2,650
Trade and other receivables	36	26
Other financial assets	50,432	54,444
Retirement benefit asset	37,509	37,306
Deferred tax assets	721	711
Other non-current assets	5	7
Total non-current assets	218,436	221,960
Total assets	385,449	384,816
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	45,662	45,231
Borrowings	13,313	15,306
Other financial liabilities	1,018	637
Income taxes payable	617	1,609
Other current liabilities	4,593	6,239
Total current liabilities	65,205	69,024
Non-current liabilities		
Borrowings	73,081	58,077
Other financial liabilities	3,378	3,719
Retirement benefit liabilities	15,008	14,797
Provisions	751	768
Deferred tax liabilities	12,954	14,010
Other non-current liabilities	747	745
Total non-current liabilities	105,921	92,119
Total liabilities	171,126	161,143
Equity		
Share capital	25,016	25,016
Capital surplus	28,232	28,232
Retained earnings	120,167	125,511
Treasury shares	(955)	(867)
Other components of equity	31,298	35,253
Total equity attributable to owners of the parent	203,759	213,146
Non-controlling interests	10,562	10,526
Total equity	214,322	223,673
Total liabilities and equity	385,449	384,816

Condensed Quarterly Consolidated Statements of Profit or Loss and Condensed Quarterly Consolidated Statements of Comprehensive Income

Condensed Quarterly Consolidated Statements of Profit or Loss
For the Nine-Month Period

(Million yen)

	Nine Months Ended December 31, 2022	Nine Months Ended December 31, 2023
Revenue	209,686	226,968
Cost of revenue	190,062	196,116
Gross profit	19,624	30,852
Selling, general and administrative expenses	18,504	19,838
Other income	281	493
Other expenses	796	2,403
Operating profit	604	9,104
Finance income	969	750
Finance expenses	225	298
Profit before tax	1,349	9,556
Income tax expenses	215	2,402
Profit	1,134	7,153
Profit attributable to:		
Owners of the parent	213	6,113
Non-controlling interests	920	1,040
Total	1,134	7,153
Earnings per share		
Basic earnings per share (Yen)	10.83	309.77
Diluted earnings per share (Yen)	10.83	309.77

Condensed Quarterly Consolidated Statements of Comprehensive Income
For the Nine-Month Period

(Million yen)

	Nine Months Ended December 31, 2022	Nine Months Ended December 31, 2023
Profit	1,134	7,153
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(0)	—
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	1,669	3,316
Total	1,669	3,316
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	665	1,319
Total	665	1,319
Total other comprehensive income	2,335	4,636
Comprehensive income	3,469	11,790
Comprehensive income attributable to:		
Owners of the parent	2,570	10,530
Non-controlling interests	898	1,259
Total	3,469	11,790

Condensed Quarterly Consolidated Statements of Changes in Equity
For the Nine Months Ended December 31, 2022

(Million yen)

	Equity attributable to owners of the parent										
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			Total	Total	Non-controlling interests	Total equity
					Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Net change in financial assets measured at fair value through other comprehensive income				
Balance as of April 1, 2022	25,016	28,051	121,744	(1,049)	—	2,868	24,916	27,784	201,548	10,927	212,475
Profit	—	—	213	—	—	—	—	—	213	920	1,134
Other comprehensive income	—	—	—	—	(0)	672	1,684	2,356	2,356	(21)	2,335
Comprehensive income	—	—	213	—	(0)	672	1,684	2,356	2,570	898	3,469
Acquisition of treasury shares	—	—	—	(0)	—	—	—	—	(0)	—	(0)
Disposal of treasury shares	—	—	(61)	94	—	—	—	—	32	—	32
Dividends	—	—	(394)	—	—	—	—	—	(394)	(1,255)	(1,649)
Changes in the ownership interest in subsidiaries	—	180	—	—	—	—	—	—	180	(493)	(312)
Transfer from other components of equity to retained earnings	—	—	(0)	—	0	—	0	0	—	—	—
Total transactions with owners	—	180	(456)	94	0	—	0	0	(180)	(1,748)	(1,929)
Balance as of December 31, 2022	25,016	28,232	121,501	(955)	—	3,541	26,601	30,142	203,937	10,077	214,015

For the Nine Months Ended December 31, 2023

(Million yen)

	Equity attributable to owners of the parent										
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			Total	Total	Non-controlling interests	Total equity
					Exchange differences on translation of foreign operations	Net change in financial assets measured at fair value through other comprehensive income	Total				
Balance as of April 1, 2023	25,016	28,232	120,167	(955)	4,025	27,272	31,298	203,759	10,562	214,322	
Profit	—	—	6,113	—	—	—	—	6,113	1,040	7,153	
Other comprehensive income	—	—	—	—	1,108	3,308	4,416	4,416	219	4,636	
Comprehensive income	—	—	6,113	—	1,108	3,308	4,416	10,530	1,259	11,790	
Acquisition of treasury shares	—	—	—	(0)	—	—	—	(0)	—	(0)	
Disposal of treasury shares	—	—	(47)	88	—	—	—	41	—	41	
Dividends	—	—	(1,184)	—	—	—	—	(1,184)	(1,295)	(2,479)	
Transfer from other components of equity to retained earnings	—	—	461	—	—	(461)	(461)	—	—	—	
Total transactions with owners	—	—	(769)	87	—	(461)	(461)	(1,143)	(1,295)	(2,438)	
Balance as of December 31, 2023	25,016	28,232	125,511	(867)	5,134	30,119	35,253	213,146	10,526	223,673	